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Japan

Japan: Hashimoto Answers Questions at News Conference

OW2402120896 Tokyo NHK General Television Network in Japanese 0501 GMT 24 February 96

[Question-and-answer portion of news conference by Prime Minister Ryutaro Hashimoto with foreign and domestic correspondents in Los Angeles — live, questions from foreign correspondents in English with simultaneous translation into Japanese]

[FBIS Translated Text] [Unidentified official] We will start a question-and-answer session now. Those of you who want to ask questions, please do raise your hand and wait until I acknowledge you. Then walk to a microphone close to you and ask questions after telling us your name and the organization you belong to. You can ask questions in either Japanese or English. Please make them concise. Please.

[Reporter] I am Suzuki of JIJI. Mr. Prime Minister, you said earlier that you had exchanged views with President Clinton on security issues at the Japan-U.S. summit talks. Can you tell us if you received an impression from President Clinton that concrete and visible progress will be made on reorganization of the military bases on Okinawa when President Clinton comes to Japan in April?

[Hashimoto] We did not discuss the details of security issues today. For example, I touched on the issue of Futenma Air Station, but we did not have enough time today to go into the details of individual problems. The United States feels the need to firmly maintain Japan-U.S. security arrangements, and I feel the United States understands very well the significance of reorganizing and reducing the bases on Okinawa. I hope the two countries will make as much progress as possible in security talks by actively discussing security matters at working-level meetings and at two-plus-two meetings. However, I want to say again that the President and I did not discuss any particular issue. We did not go into details of security matters.

[Official] Next question, please.

[Reporter] I am from the LOS ANGELES TIMES. Mr. Hashimoto, did President Clinton raise the issue of renewing the Japan-U.S. semiconductor agreement? If he did, what was your response?

[Hashimoto] We did not specifically discuss the semiconductor agreement. As for our common economic problems, he touched on semiconductors, photo film, insurance, and aviation issues. The president did not take up a specific issue but referred to these matters in general, hoping that satisfactory results would be produced through dialogue. As I said earlier, we agreed that there were economic problems between the two countries and that we should not damage bilateral relations by worsening them. We did not discuss anything more.

[Official] Next question, please.

[Reporter] I am Umano of the YOMIURI SHIMBUN. Did you two discuss the tensions between China and Taiwan? If you did, who raised the issue, and what were the contents of the discussion?

[Hashimoto] We discussed the tensions over the Taiwan Strait as an issue connected to the situation on the Korean peninsula, but we did not have enough time to discuss in detail. Anyway, I hope the two concerned parties facing each other across the Taiwan Strait will exert self-restraint.

[Official] Any questions from American reporters?

[Reporter] David Evans of the BLOOMBURG BUSINESS NEWS. Bill Clinton is a musician, and this is an example with regard to the intellectual property issue. Did you two discuss the intellectual property issue? Also, the Beatles were one of the world's most popular groups. If you follow the 1971 agreement, you should protect the Beatles' intellectual property rights. Is it not a matter of course to pay an appropriate amount of money when you buy the Beatles' and other artists' CD's on the Japanese market?

[Hashimoto] Only the Beatles? How about Presley? [laughter] I and the President did not discuss the issue of property rights today. Japan's property rights are retroactive for 25 years from the time music software are produced. We made the rule before other countries set up their intellectual property rights rules. I know that many developed countries recently decided that property rights should protect software produced 50 years ago and after. I know that the issue is scheduled to be discussed at the WTO. Various arguments will be made if the matter is discussed from legal viewpoints. Other developed countries decided on the 50-year period after Japan set up its rule. I think Japan may follow in their footsteps. I do not mean that Japan will follow their logic. Japan needs to discuss the intellectual property issue from legal viewpoints. But at the same time, it should follow other developed countries' moves to respect the Beatles, Presley, and other splendid musicians from the fifties and sixties.

[Reporter] I am Hayashi of NHK. I would like to ask you about KEDO [Korean Peninsula Energy Development Organization]. You must have touched on the KEDO during today's talks with the President. Although the United States is supposed to play a major role in providing fuel oil to the DPRK, it has failed to do so because of the budget battle in Congress. This is why Japan has decided to help pay the bill for the fuel oil. Concerned countries have to continue paying for fuel oil for a long time. Also, they have to start the construction of light-water reactors. In such circumstances, will they be able to operate KEDO properly? Also, what should Japan do to help operate the international consortium?

[Hashimoto] First, I would like to say this. KEDO was formed as a forum between the United States and the DPRK and to stop the suspected development of nuclear weapons by the DPRK. I highly evaluate the efforts the United States made to conclude the nuclear agreement with Pyongyang. The inauguration of KEDO enables us to temporarily set aside the nuclear problem. It is true that the budget battle in Congress has caused problems concerning oil provision to the DPRK. Although I decided on the $19 million in financial aid to KEDO at a cabinet meeting before I left Japan yesterday, the money is not to help pay the bill for fuel oil. The Japanese money will go to a fund to be set up within KEDO to deal with the consortium's liquidity crisis. I hope you understand this. The United States promised to take charge of fuel oil provision in talks with Japan and South Korea. That is my understanding. To prevent the recurrence of KEDO's liquidity crisis, I hope the United States will make further, active efforts to seek financial contributions from European and Middle East countries and to fulfill its own financial duties at an early date.

[Official] Any questions from the U.S. press?

[Reporter in English with simultaneous translation into Japanese] I am Matt Miller from the SAN DIEGO UNION TRIBUNE. I am getting back to the Okinawa issue. Do you feel you were able to sufficiently convey to President Clinton how strongly the Okinawan people are opposing the presence of U.S. military bases on Okinawa and the need for a flexible approach toward the issue?

[Hashimoto] I believe President Clinton made extremely sincere comments on this issue. Before I explained to him at length about the pain and burdens of the Okinawan people, he very frankly stated how much regret he feels over the tragic case that occurred last summer. I believe that, as the President stated, the United States will sincerely accept discussions and adopt measures on the Okinawa base issue. As a matter course, we will have to tackle issues as a domestic problem in the future in coordination with all parties concerned. I believed that, as the President had stated, the United States will take sincere actions.

[Reporter] I am Uchida from Asahi Television. My question is about how to proceed with economic talks with the United States. After the Clinton administration was established, the so-called Framework talks — called "hokatsu kyogi" or "wakugumi kyogi" — were concluded in the last months of the Miyazawa cabinet. After that, the cabinet changed in Japan. As for Hashimoto cabinet, do you intend to continue such courses of action as the Framework talks?

[Hashimoto] The matter concerns the partner's intention. I cannot decide it by myself. We are making positive efforts toward deregulation, and new international rules under the WTO have been established as scheduled and the organization has already begun to work. The United States has also taken advantage of the WTO. Given the situation, I think the venue for discussions will change greatly as a matter of course. At the same time, we hope that discussions between concerned parties in the private sector will be positively promoted as much as possible and that through discussion private sector industries will be able to settle issues without government intervention. As a matter of fact, leaders of the semiconductor industries of the two countries held talks on their issues in Honolulu today — I think the talks probably ended three or four hours ago. I have not yet received a final report on the talks. However, according to a report during the middle of the talks, they engaged in active discussion. I hope that positive discussion will be promoted by continuing such talks so that negotiations between the governments will become needless.

[Reporter] I am Komatsu from MAINICHI SHIMBUN. I would like to ask about the tensions between China and Taiwan that were mentioned a little while ago. During your meeting with the President, were China's plan to conduct large-scale military drills and its series of military moves taken up? If the two of you discussed the matter, how did your exchange of views go?

[Hashimoto] I told you earlier that the issue was brought up as a topic of discussion. At least, I hope that the two concerned parties will exert self-restraint as much as possible to prevent further escalation of tensions. I made this comment just a while ago. I have nothing to add.

[Official] Please.

[Reporter] I am Kimura of ASAHI SHIMBUN. I would like to ask you more about the Okinawa issue. During your talks with President Clinton, did the President explain to you anything about Okinawa's strategic value or why it is necessary to deploy such military stength on Okinawa now? And did the President explain the current situation of and the future prospects for the 100,000 U.S. troops now deployed in East Asia?

[Hashimoto] No discussions were held along those lines today. These topics should be brought up for official discussion in connection the Japan-U.S. security arrangement during President Clinton's upcoming official visit to Japan in April. Since the talks were limited to one hour, no in-depth discssions were held today.

[Official] The person in the back, please.

[Reporter] I am Kashiwagi from SANKEI SHIMBUN. The presidential election will be held in the United States soon. Was this topic brought up in today's talks? In particular, did you talk about Mr. Buchanan's policy toward Japan?

[Hashimoto] Before this issue was brought up at the meeting, when I arrived here and as we two were walking toward the yard, one of the reporters there asked me about this. And this is how I answered the question: I said that it is an issue that should be determined by the voting of the American people; that we believe in the free trade system; that we learned this free trade system from the United States; that we will continue to make efforts to further develop this free trade system; and that the American people will make a wise choice. And that is all. No such topic was brought up at the talks.

[Official] The one in the back, please.

[Reporter] I am Suganuma of CHUNICHI SHIMBUN. My question concerns the Okinawan issue that was discussed just now. You said that you cited the Futenma base as an example. Can it be taken that this signifies that as far as you are concerned, Mr. Prime Minister, you are strongly determined that a decision will be made by all means on returning the Futenma base during the President's visit to Japan in April?

[Hashimoto] As I have just said, I merely brought up the issue as an example. I will not add any words to my remarks here and now. As I have just said, I said that the prefectural government has made a strong request to settle, for example, the Futenma base issue. I included this issue in my briefing. In fact, I feel that all the issues are important.

[Official] Next one, please.

[Reporter] I am Sakurai of ASAHI SHIMBUN. Concerning foreign policy, Mr. Prime Minister, you stated in your policy speech that your stance is to take an independent or proactive approach. And earlier, during the campaigning for the presidential election of the Liberal Democratic Party, you maintained that you would promote diplomacy with your own feet. At today's meeting, did you explain your own vision in connection with the decision to carry on a foreign policy based on the Japan-U.S. security arrangement?

[Hashimoto] I am a little confused by your question. I myself feel that Japan-U.S. relations are of great importance. And in particular, as the person responsible for the auto talks last year, I am aware that we did make efforts to win support from various countries. And I have always kept in my mind that while stating their support for Japan, many countries have actually expressed their concerns about the possibility that there will be a crack in relations between Japan and the United States.

It is my own belief that the foundation of the Japan-U.S. relationship lies in the Japan-U.S. Security Treaty and the Japan-U.S. security arrangement. This is my own thinking, not something that I have borrowed from the ideas of others. In this sense, I can say that I have stated my own views. And that is the reason I want to win understanding and to reconfirm our understanding with our people. In this process, I requested their cooperation to settle the military base issue connected with the Okinawa prefecture.

[Official] I am sure there are still many more reporters who want to ask questions. However, I regret that time is now up, and we will end this news conference for both Japanese and foreign reporters. Thank you very much.

[Hashimoto] Thank you very much.

Japan: Prime Minister's Remarks at L.A. News Conference

OW2402090296 Tokyo NHK General Television Network in Japanese 0501 GMT 24 Feb 96

[Opening remarks at a news conference by Prime Minister Ryutaro Hashimoto in Los Angeles — live]

[FBIS Translated Text] [Unidentified official] We will now begin Prime Minister Hashimoto's news conference for both Japanese and foreign reporters. First, we will ask Mr. Prime Minister to give his remarks.

[Hashimoto] Thank you very much for taking the trouble to attend this news conference. I have just arrived here after holding my first summit talks with President Clinton in Santa Monica from 1900 to 2000 hours [PST].

I spoke very frankly at the meeting, and Mr. President also attended the talks with a frank attitude. In a very familiar atmosphere, it seemed that one hour passed by very quickly.

What I have to say can be summed up in three points:

First, the relationship between Japan and the United States is of very great importance, and mutual efforts must be made to deepen this relationship further from now on. At the auto talks held last year, many friends in the EU [European Union] and the Asian-Pacific region reminded us that if the auto talks should cause a rift in Japan-U.S. relations, it would be a very serious problem; and they asked us to keep this in mind. Judging from this, other countries also attach great importance to the Japan-U.S. relations.

The foundation of this relationship lies in the Japan-U.S. Security Treaty, and we are determined to maintain it. We will do our utmost once again to confirm to our people that the treaty is not merely to the benefit of our country but that the presence of the U.S. military in the Asian-Pacific region has contributed greatly to regional stability.

For this purpose, we would like to ask for the cooperation — as much as possible — of the United States in dealing with the issue of realigning, consolidating, and reducing U.S. military bases on Okinawa.

Second, I myself am well aware that there are still several economic issues between our two countries. However, it is not at all desirable for Japan and the United States to exaggerate economic issues for no reason. What is important is to settle them one by one.

Third, Japan will change drastically; there is no other alternative for Japan but to change. All other reasons aside, Japan must undergo changes just by taking into account the changes in the population structure. At present, our top priority is given to the task of achieving economic recovery. To achieve economic recovery, we must exert efforts to eliminate some regulations and ease some others, and I am determined to carry them out.

For example, we will announce in the near future that concerning housing construction, we will change the past standards and set new standards based on functions. This change will facilitate import of housing [materials] from the United States.

Moreover, in the process of deliberating on the draft budget bill, settling the jusen [housing loan companies] issue has become a major issue. Since public funds will be introduced to settle this matter, I have been severely criticized by many of our people. However, by overcoming these difficulties, we must decide on creating a new Japanese financial system modeled exactly after that of the United States, including measures to correct errors early. We have already taken measures in this direction.

I told the President that these are the three points that I would like to make to him, and he has given me very appropriate answers. With regard to the issue of military bases on Okinawa, I think the President has given me signals favorable to promotion of concerned work in the future.

At the same time, on the jusen issue, the President said he knows about the arguments being carried on in Japan at present and that he really sympathizes with me. He said that not long ago, the United States also had a very hard time settling the issue of bankrupt financial institutions, and measures taken at that time were certainly not well spoken of by the people. He said that when he took action during the economic crisis in Mexico, over 80 percent of respondents in an opinion poll opposed the action; but that what is important is that when action has to be taken, we must be determined to do so. Such are the remarks made by the President.

Moreover, I told him that we speak highly of the utmost efforts made by the United States to maintain peace in the former Yugoslavia and of his decision that has brought result. At the same time, I told him it is a reality indicating that the presence of the U.S. military has brought about peace in the region.

In addition, we talked about such issues as KEDO [Korean Energy Development Organization] in connection with North Korea; about how it is very important to deal with issues listed on the common agenda; and how during his official visit to Japan in April, fruitful conclusions could be worked out on each of these issues. Our talks ended in this way. That is all.

[Official] Thank you very much.

Japan: Governor Ota Expects Early Return of Futenma Base

OW2402112296 Tokyo KYODO in English 1107 GMT 24 Feb 96

[FBIS Transcribed Text] Naha, Japan, Feb. 24 KYODO — Okinawa Gov. Masahide Ota said Saturday [24 February] he looks forward to further efforts toward a "visible" settlement of the U.S. base issue in Okinawa based on a common understanding of the issue between top leaders of the two countries.

Ota also disclosed his hope for the return of the Futenma marine airfield [Marine Corps Air Station Futenma] in a comment on the first meeting between Japanese Prime Minister Ryutaro Hashimoto and U.S. President Bill Clinton.

He said Okinawa Prefecture has asked the return of the Futenma base as a top priority from the viewpoint of safety of residents around the military base.

During the Friday meeting in Santa Monica, California, Hashimoto asked Clinton to cooperate on the consolidation and reduction of U.S. bases concentrated in the southernmost Japanese Prefecture of Okinawa, in order to help Hashimoto strengthen public support for the security alliance.

Hashimoto mentioned the Futenma marine airfield as one of the Okinawa military facilities the Okinawa Prefectural Government has expressed a strong determination to recover, he said.

Japan: Governor Ota, Assembly Speaker Comment on Summit

OW2502060496 Naha RYUKYU SHIMPO in Japanese 25 Feb 96 Morning Edition p 1

[FBIS Translated Text] In reaction to the just concluded Japan-U.S. summit talks, in which the two leaders decided to give top priority to coming to grips with streamlining, consolidating, and reducing the number of U.S. military bases in Okinawa and proceeding with work in preparation for further summit talks in April, Okinawa Governor Ota released comments last night, stating: "As for the issue concerning the return of Futenma base, we have called at every opportunity for the return of the base as a top priority task to be carried out in terms of ensuring the safety of residents surrounding the base. We hope that the military base issues, including the return of the Marine Corps Air Station Futenma base, will be settled in a visible form in the future with the common understanding of the leaders of the two nations."

Moreover, Prefectural Assembly Speaker Chiken Kakazu, who led a suprapartisan delegation to the United States from 29 January to 7 February to make a direct appeal and calling for a solution based on realignment and reduction of bases, said: "I feel that the Okinawan people's feeling was appreciated by the two governments. I believe that our suprapartisan calls had great impact on the summit talks and I want to positively evaluate the summit talks." He added that "I hope that a measure to solve the issues in a way that can satisfy the prefectural residents to a certain degree will be hammered out at the summit talks in April."

Japan: Kajiyama Urges People To Share Okinawa Burden

OW2602050896 Tokyo KYODO in English 0317 GMT 26 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO — Chief government spokesman Seiroku Kajiyama asked the Japanese people Monday [26 February] to share some of the burden of people in the southernmost Japanese prefecture in Okinawa, which currently has a large U.S. military base presence.

"We want all the Japanese people to understand that the Japan-U.S. Security Treaty exists for their own sake," the chief cabinet secretary told a press conference.

Prime minister Ryutaro Hashimoto urged U.S. President Bill Clinton to cooperate in consolidating and reducing U.S. bases in Okinawa when they met over the weekend in Santa Monica, California.

Reducing the presence of U.S. bases in Okinawa means in part relocating them to mainland Japan or other regions.

Japan: Effect of U.S. Election on Clinton-Hashimoto Talks Viewed

OW2402133696 Tokyo KYODO in English 1306 GMT 24 Feb 96

[By Kohei Murayama: "U.S. Election Haunts Clinton-Hashimoto Talks"]

[FBIS Transcribed Text] Santa Monica, California, Feb. 24 KYODO — U.S. President Bill Clinton and Japanese Prime Minister Ryutaro Hashimoto discovered how an American presidential election year can haunt the "Bill-Ryu" ties they sought to establish at a meeting here Friday.

The unexpectedly strong emergence of Republican presidential candidate Pat Buchanan, who espoused protectionist trade policy against Japan to win the New Hampshire Republican primary earlier this week, hung like a cloud over the occasion of the two leaders' meeting.

The Buchanan factor was a subject of fascination among reporters at the California beach resort as the two leaders met amid Clinton's west coast reelection campaign drive.

Buchanan, advocating a tariff of more than 10 percent on Japanese imports to protect U.S. goods, has reportedly said that Japan would be more scared of him as a president than of Clinton.

As a reporter brought up this Buchanan issue during a photo session prior to the meeting, Hashimoto jokingly stepped back, raising his hands and looking at Clinton as though he were afraid.

On the election, however, Hashimoto merely commented that it is "a decision the American people have to make."

Criticizing protectionism, however, Hashimoto said, "We have learned from the United States how important the free trade system is, and we are also working to further promote free trade principles."

"So I'm confident the American people will make good decisions," Hashimoto said, noting, "I'm not taking any sides."

Cutting into Hashimoto's comments, Clinton said, "Let me say, I would hope that the Japanese prime minister would never be afraid of any American president. We have a partnership."

Although we have disputes from time to time in trade areas, Clinton said, "the American people should know that our friendship and partnership with the Japanese in security matters are an important part of maintaining freedom and peace in the world and help America."

Expressing confidence in his trade policy, Clinton said, "I think it should be an issue...I don't mind if this is an issue in the election."

"It's important that we look at the facts and the real policy alternatives," he said. "To hear the debate you would think the only choice is an open market without regard to how other countries treat our products on the one hand, or a totally closed market on the other."

"There is another alternative which is trade that is both freer and fairer, and that is the policy we have pursued," Clinton said.

"With Japan," he said, "thanks to Prime Minister Hashimoto in his previous position (as trade minister), we have concluded 20 trade agreements, and in those areas, our trade with Japan has gone up 80 percent in just three years in ways that have enabled us to lower the trade deficit."

"So this has benefited both of us," Clinton stressed in defending his trade policy on Japan.

During the meeting, however, Clinton also reminded Hashimoto that he wants to see more progress in "unfinished business" in four major outstanding trade disputes, U.S. Assistant Secretary of State Winston Lord told reporters after attending the summit talks.

The four areas are semiconductors, insurance, aviation, and the consumer photographic film and paper market.

Clinton brought up the four trade sectors despite a White House briefing earlier this week that the meeting would only serve as a "get-to-know-you" session rather than an opportunity to discuss specific trade issues.

Many analysts said Clinton could invite criticism from Republican candidates led by Buchanan if he had only focused on past achievements to defend his trade policy.

Meanwhile, some newspapers here, quoting political analysts, reported that Buchanan's trade protection policy could offer leeway for Clinton to enjoy concessions from Hashimoto.

USA TODAY quoted Alvin Cox, director of San Diego State University's Japan Studies Institute, as saying that Buchanan is "scary to the Japanese."

"Their attitude will be they've got to support Clinton. He's not the answer to a maiden's prayer for them, either. But a known enemy is more workable than an unknown," Cox said.

LOS ANGELES TIMES quoted William Clark, president of the Japan Society in New York as saying, "while it (the summit) is calm at the surface, there is a lot of turbidity below."

Referring to Clinton's upcoming state visit to Tokyo in mid-April, the daily said the route to that visit "is seen as bumpy enough to require today's agenda-setting meeting."

A senior U.S. official, speaking on condition of anonymity, said that Japan should not underestimate Clinton's intention to address the trade disputes in this election year.

With the prospects of Clinton's reelection appearing increasingly favorable, the official suggested it is better for Hashimoto to favor the President in order to maintain long-term "Bill-Ryu" ties.

Japan: Issues Involving Futenma Base Relocation Plan Viewed

OW2502021296 Tokyo YOMIURI SHIMBUN in Japanese 23 Feb 96 Morning Edition p 2

[FBIS Translated Text] On 22 February, the government firmed up its policy to officially call on the United States to reorganize and reduce the Marine Corps Air Station [MCAS] Futenma, which is a focal point of discussions over the reorganization and reduction of U.S. military bases on Okinawa. A proposal will be made at a working-group meeting of the "Special Action Committee for Okinawan Facilities and regions (SACO)," slated to be held in the United States on 26 and 27 February.

The United States conveyed its intention to the ruling parties' inquiry commission on security issues (led by former Foreign Minister Taro Nakayama), which visited the United States, saying that there is "room to study" the relocation of MCAS Futenma to another place in Japan.

Regarding MCAS Futenma, the government is studying, among other things, two possibilities: 1) integrating it into Kadena Air Base [KAB]; and 2) partially integrating it into Iwakuni Air Base [IAB] (in Yamaguchi Prefecture), which is used by the U.S. Marine Corps.

The Okinawa Prefecture, however, is opposed to the idea of integrating MCAS into KAB. Moreover, it is inevitable that Yamaguchi Prefecture will show its disapproval of the partial merger of MCAS Futenma into IAB. It seems likely the government will have a tough time in coordinating opinions as the MCAS Futenma reorganization and reduction plan takes shape.

Japan: 'News Focus' Notes Summit Leaves Unfinished Business

OW2402134996 Tokyo KYODO in English 1319 GMT 24 Feb 96

[News Focus by Mie Kawashima: "Solution to Security, Trade Issues Left for April"]

[FBIS Transcribed Text] Santa Monica, California, Feb. 24 KYODO — After setting up first-name relations through a one-hour meeting Friday [23 February] in Santa Monica, California, the Japanese and U.S. leaders left the resolution of outstanding security and trade issues to their full-scale summit in mid-April in Japan.

On the issue of the high concentration of U.S. military facilities in Okinawa, President Bill Clinton "pledged our best efforts to make progress on that issue," U.S. Assistant Secretary of State for East Asian and Pacific Affairs Winston Lord said, briefing reporters on the summit. Lord added, "and they agreed that they should work on this issue, looking toward...and beyond the President's visit."

Clinton made the remarks in response to Hashimoto's requests for cooperation on the consolidation and reduction of the numerous U.S. bases and other military installations in the southernmost Japanese prefecture, in order to strengthen public support in Japan for the Japan-U.S. security alliance.

But they did not go into details, except Hashimoto's mentioning of the Futenma marine airfield [Marine Corps Air Station Futenma] as one of the Okinawa military facilities the local prefectural government is determined to recover.

Tokyo and Washington have set up a joint action committee to discuss how to respond to Okinawa's wishes, but it would be difficult to satisfy the Okinawa residents.

The Okinawa Prefectural Government has mapped out a blueprint to recover all local land used by the U.S. military over the next 20 years, but Clinton "did indicate that we intend to maintain roughly our current levels of forces in the Pacific and in Japan," Lord said.

Hashimoto also "made it very clear that the American military presence in the Asia-Pacific region serves the stability not only of our two countries, but of the entire region," Lord said.

The people of Okinawa have made strong calls for significant cutbacks in U.S. bases since the alleged rape of a local schoolgirl in September, for which three U.S. servicemen are on trial.

Their irritation over the high concentration of U.S. military bases has grown again recently in anticipation of a ruling by a local high court which may soon be handed down in a trial over the forced leasing of local land for U.S. military use.

The Japanese Government has asked the court to demand that Okinawa Gov. Masahide Ota sign documents needed to force unwilling local landowners to rent their lots to the U.S. military.

Some Okinawan people claim that the court is trying to rule in favor of the central government by the end of March, when some of the lease contracts expire.

On trade issues, Clinton made it clear there is "a lot of unfinished business," Lord told a press briefing, adding that Clinton specifically mentioned four sectors of interest to the U.S. — semiconductors, insurance, the photo film industry and civil aviation."

The President, however, did not ask for progress on the trade issues by a specific time, such as his April summit with Hashimoto, Lord said.

Hashimoto told a press conference following the summit that he broached the trade issues first, by saying, "I well acknowledge several economic issues, but it would not be good for Japan-U.S. relations to make the matters bigger than necessary."

Washington has pressed Tokyo to implement an insurance accord, renew a semiconductor agreement, liberalize aviation rights and hold government-level talks on Japan's photographic film market.

Bilateral working-level negotiations on aviation and insurance will both resume on Feb. 28.

The two countries, which aim to conclude their aviation talks by the end of March, are at odds over so-called "beyond rights" granted to their air cargo carriers under the 1952 bilateral aviation treaty.

Japan insists that it wants "equality" by rectifying the 1952 beyond rights, which strongly favor U.S. carriers under the aviation accord, while the U.S. is pushing for "liberalization" and an eventual elimination of all restrictions.

As for the October 1994 bilateral insurance agreement, Japan and the U.S. failed to find a resolution in recent talks over Washington's concern that Japan's Finance Ministry is poised to violate the accord by allowing Japanese life and nonlife insurance companies to enter Japan's so-called "third sector" insurance market through subsidiaries.

The third sector is a market for products combining life and casualty insurance benefits such as cancer and nursing insurance policies that are now only allowed to be offered by foreign firms.

Under the accord, the two nations agreed to bar entry of Japanese firms into the third sector until significant liberalization is made in the life and nonlife insurance markets.

Washington wants the Japanese Government to intervene in rectifying what Eastman Kodak Co. claims are anticompetitive practices resulting from exclusive business ties between Fuji Photo Film Co. and its retailers.

Tokyo has maintained that the row over Japan's consumer film market between Fuji and Kodak is not an issue for governmental negotiations.

Prior to the Santa Monica meeting, Japan's Fair Trade Commission (FTC) said Wednesday it will investigate the country's consumer photographic and paper markets in fiscal 1996, beginning April 1.

But Eastman Kodak is critical of the FTC investigation, calling it a tactic to delay government-level talks.

Tokyo is sternly rejecting Washington's request for renewing the 1991 microchip accord, arguing that it has run its course with the foreign market share in Japan already rising past the 20 percent level targeted by the U.S.

Clinton did not mention one other trade issue under which the U.S. filed dispute-settlement proceedings at the World Trade Organization earlier this month, arguing that Japan is not respecting an international agreement on copyright protection for music recordings.

Lord, however, made it clear, "we have an interest in the sound recording as well."

Japan: Article Sums Up Clinton-Hashimoto Talks

OW2402101696 Tokyo KYODO in English
0957 GMT 24 Feb 96

[By Mie Kawashima: "Hashimoto, Clinton Push for Progress on Security, Trade"]

[FBIS Transcribed Text] Santa Monica, California, Feb. 24 KYODO — The top Japanese and U.S. leaders urged Friday [23 February] each other toward progress in their security and trade ties in Santa Monica, California, despite a previous evaluation of the meeting as a "get-to-know-you" event.

Yet Japanese Prime Minister Ryutaro Hashimoto, 58, and U.S. President Bill Clinton, 49, held their first bilateral meeting in an atmosphere described by officials of both countries as very friendly.

They agreed to call each other Bill and Ryu.

"I told him that the Japan-U.S. relations are especially important...and the basis of the ties is the Japan-U.S. Security Treaty, which we will firmly maintain," Hashimoto told a press conference following the one-hour meeting.

Hashimoto asked Clinton to cooperate on the consolidation and reduction of U.S. bases concentrated in the southernmost Japanese prefecture of Okinawa, in order to help Hashimoto strengthen public support for the security alliance.

The Japanese premier is concerned over the drop in public support for the bilateral security arrangements following the rape of an Okinawa schoolgirl, for which three U.S. servicemen are on trial. Hashimoto mentioned the Futenma marine airfield as one of the Okinawa military facilities the Okinawa Prefectural Government has expressed a strong determination to recover, he said.

Hashimoto, however, went on to say that these specific items are to be discussed in the interim leading up to Clinton's state visit to Japan on April 16-18, according to Japanese officials.

"The President...pledged our best efforts to make progress on that (Okinawa) issue. And they agreed that they should work on this issue, looking toward the President's visit and beyond the President's visit," said U.S. Assistant Secretary of State for East Asian and Pacific Affairs Winston Lord.

Lord denied the two leaders went into any specific details concerning Okinawa and the U.S. military presence.

The U.S. leader "did indicate that we intend to maintain roughly our current levels of forces in the Pacific and in Japan. And the Japanese prime minister made it very clear that the American military presence in the Asia-Pacific region serves (to stabilize not only both countries,) but the entire region," Lord said.

Clinton made it clear there is "a lot of unfinished business, and he specifically mentioned four sectors of interest to us, which are semiconductors, insurance, the (photographic) film industry and civil aviation," Lord said.

The President, however, did not seek a specific time for progress in the trade issues, such as his April summit with Hashimoto, Lord said.

Hashimoto told the press he broached the trade issues first, by saying, "I acknowledge there are several economic issues, but it would not be good for Japan-U.S. relations to make the matters unnecessarily big."

Clinton did not mention the issue over copyright protection for music recordings. The U.S. filed dispute-settlement proceedings at the World Trade organization earlier this month over the issue, arguing that Japan is not respecting an international agreement.

But Lord made it clear, "we have an interest in the sound recording as well."

The U.S. President welcomed the recent reduction in the U.S. trade deficit with Japan.

Clinton showed "sympathy" for Hashimoto for the criticism leveled at him by the Japanese public for his unpopular scheme to use 685 billion yen in taxpayers' money to liquidate seven failed housing loan companies.

In an initial briefing immediately after the summit, a Japanese official said Clinton showed understanding toward the liquidation plan as a means to reinforce Japan's financial system.

A senior U.S. Administrative official who asked not to be identified, however, said the President only expressed "sympathy" for Hashimoto and not support for the scheme, adding that U.S. policy does not allow for comment on measures concerning Japanese domestic issues.

The leaders also discussed the Korean Peninsula and strained China-Taiwan relations.

"On the context of the importance of the Korean Peninsula situation, we also discussed the tension along the Taiwan Straits," Hashimoto said.

Lord said, "both agreed that it was important to have a reduction of tension in the Taiwan Straits and an appeal to both sides for moderation."

Hashimoto told Clinton that Japan has decided to pay $19 million to the Korean Peninsula Energy Development organization to foot the bill for fuel oil aid to North Korea.

Hashimoto said Japan would continue to implement economic structural reforms and deregulation especially in the field of housing.

Japan: Foreign Ministry on Clinton Trip, Asia

OW2602101596 (Internet) Japan Ministry of Foreign Affairs WWW in English 23 Feb 96

[News conference given by Foreign Ministry Spokesman Hiroshi Hashimoto with unidentified reporters on 23 February; place not given; from the "Foreign Policies, News Conference" link; following item was posted on the ministry home page after 0500 GMT on 26 February]

[FBIS Transcribed Text] [Topics of Discussion] I. Visit to the United States by Prime Minister Ryutaro Hashimoto II. Japanese contribution to the Korean Energy Development Organization (KEDO) III. Relations between Japan and the Republic of Korea IV. Issues relating to the People's Republic of China and the United States of America V. Issues involving possible reduction of United States bases in Japan VI. Asia-Europe Meeting (ASEM) and East Asian Economic Cooperation (EAEC) VII. Regional law enforcement cooperation regarding piracy in the South China Sea VIII. Routine bilateral political-military dialogues IX. Issues involving Takeshima territory X. Northeast Asian Security Dialogue

I. Visit to the United States by Prime Minister Ryutaro Hashimoto

Foreign Ministry Spokesman Hiroshi Hashimoto: Prime Minister Hashimoto will leave Tokyo for Los Angeles tonight and will meet President Clinton the same day (local time) on the evening of 23 February. Prime Minister Hashimoto will come back to Japan on 25 February. Through the earliest possible establishment of personal relations of trust between Prime Minister Hashimoto and President Clinton, it is expected that the greatest success at the time of President Clinton's visit to Japan in April will be attained. From the perspective that it is important to further develop the good relations between Japan and the United States, both our Governments have sought out the possibility of setting up a meeting between our leaders on the earliest possible occasion, and as a result, this meeting in Santa Monica has been arranged. The main purpose of this visit to the United States by Prime Minister Hashimoto is to allow the leaders time to build personal relations of trust. This visit is not intended as an opportunity to discuss detailed issues, such as the issue of the United States military bases in Okinawa or specific economic issues. As for the United States bases issues in Okinawa, work is being enthusiastically undertaken by the Special Action Committee on Facilities and Areas in Okinawa (SACO) on the realignment, consolidation and reduction of those facilities and areas, and we intend to indicate a specific direction at the time of the visit by President

Clinton to Japan in April. Furthermore, on trade aspects, Japan intends to calmly seek solutions to specific economic issues through the principles of the Japan-United States Framework Talks and in accordance with international rules.

Q: This statement says this visit is not intended as an opportunity to discuss security issues, etc., such as Okinawa. Why do you have this specific provision here? Do you mean that Prime Minister Hashimoto — [punctuation as received]

A: First of all, I did not intend to distribute the paper on this subject. It is just an explanation. Probably to mention only the Okinawa bases issue and economic and trade issues is not well balanced. I just wanted to mention those two issues, because the press is naturally interested in them. I did not want to over emphasize the importance of these issues. At the same time, I would like to tell you that when the two leaders meet in Santa Monica, I am sure that they will talk about the bilateral relations as well as the international situations which the two leaders are interested in.

Q: Could you please specify what those international relations might be — which areas you think would be appropriate?

A: This time, as I said, those leaders want to establish a personal trust. The meeting itself will last about an hour. We have not decided on the detailed agenda for the two leaders. Probably, at first, they will review the bilateral relationship and will go on to talk about the international situations which the two leaders are interested in. In that case, maybe, they will talk something about the situation on the Korean Peninsula. But, it is completely up to them. They may talk about the Korean Energy Development Organization (KEDO), because this morning the Japanese Government has decided to extend contributions (US$19 million worth) to the KEDO. So, there is a possibility they will talk about this.

Q: Really, it is for getting to know, rather than any kind of formal discussion?

A: This is a formal meeting. I do not think they will just leisurely sit and talk about personal matters. They will talk about bilateral issues as well as the international situations. The point here is that both leaders and both governments want to make the upcoming visit by President Clinton to Japan in April very successful. Before that, I am sure that they would like to review the bilateral issues as well as they would like to exchange their views on the international situations. Through those talks I think personal trust will be established.

Q: Will there be any other parallel talks going on at the same time while the personal meeting is going on?

A: Excuse me?

Q: For example, is it just one-on-one with President Clinton and Prime Minister Hashimoto or will there be other talks going on?

A: There will not be any other official talks. Basically, this is a talk between two leaders.

Q: Who will be accompanying Prime Minister Hashimoto on the Japanese side?

A: At first, as far as the Japanese side is concerned, Deputy Chief Cabinet Secretary Kazuo Watanabe will accompany Prime Minister Hashimoto. Ambassador to the United States of America Kunihiko Saito will join Prime Minister Hashimoto in Santa Monica. Director-General of the First North America Division Masuki Orita of the Ministry of Foreign Affairs will also go. But, basically this is a very compact delegation.

Q: Is Prime Minister Hashimoto going there for one day or how many days is he going to be there?

A: Because of the time difference between Tokyo and Los Angeles, he will leave here today, but he will arrive in Los Angeles on the same day. After that, Prime Minister Hashimoto will stay a night in Los Angeles. But, as early as the next day, he will leave Los Angeles and come back to Tokyo.

Q: Just one meeting?

A: Just one meeting.

Q: And, this is on nothing in particular at this stage — this is to know each other?

A: The main purpose is to establish personal trust. Because President Clinton is scheduled to visit Japan officially this April, they will have plenty of time to talk on various matters, including the bilateral relationship and the international situation. In order to make the official visit by President Clinton successful, Prime Minister Hashimoto has decided to go to Los Angeles to meet President Clinton, to establish personal trust. At the same time, he wants to talk on the bilateral issues and the international situation.

Q: There will be some talks?

A: Talks, yes. Definitely talks.

Q: Any exchange of views?

A: Although this is a very informal way of exchanging views, they will not meet just for fun. They will meet to talk seriously on the bilateral issues and the international situation.

Q: It seems that one hour is an extremely short time for the Prime Minister to fly thousands of miles to attend, considering the wide range of issues to be discussed. Is it actually impossible to fit a longer meeting into the schedule?

A: At first, as time is concerned, unfortunately they can spare only an hour or so.

Q: On the American side?

A: Both sides have agreed to spend one hour or so. Both leaders are very busy. Prime Minister Hashimoto will have to attend the Diet

Q: But, if he is spending the night, I mean — [punctuation as received]

A: President Clinton's time is also tight. In this sense, he can spare only one hour or so. You should not underestimate the short meeting, even if it is one hour or so. I am sure that they will cover many aspects.

Q: Will there be interpretation? In other words, actually thirty minutes of meeting?

A: Both leaders are very capable and shrewd, and I am sure that they can have a very fruitful meeting. After the meeting, Prime Minister Hashimoto will go to the press conference in Los Angeles. I am sure you will know the result of the meeting.

Q: Any exciting bilateral, any international topics will be discussed — off-record or on-record kind of meeting that they are having in California?

A: I will tell you once again that this is a meeting between the two leaders. They are not just meeting for fun. This a serious talk, but this is not official like President Clinton's visit to Japan in April. Definitely, they will cover the bilateral issues and the international situation. When we say that the two leaders want to establish a personal trust, how can they do so just meeting and talking about something irrelevant? Definitely, those two leaders are serious politicians, therefore they will talk seriously about various questions. But, I would like to stress that they do not intend to meet in order to solve specific issues. That is the point.

Q: In continuity of that question I made on international topics, you said that the North Korean thing would come under discussion?

A: Probably. It is completely up to them.

Q: Have there been any substantial meetings between Prime Minister Hashimoto and President Clinton in the past, before Prime Minister Hashimoto became Prime Minister?

A: When Prime Minister Hashimoto was the Minister of International Trade and Industry, he had a chance to meet with and talk to President Clinton — for example, at the time of the G-7 Summit. But, in the capacity as the Prime Minister, he has not yet met President Clinton.

Q: So, we could say that the two men know each other fairly well?

A: I think so and I hope so.

Q: In that case, what is the meaning of a get-acquainted meeting on this occasion?

A: They know each other. What I am saying is to establish personal trust. You cannot just establish personal trust through a meeting occasionally.

Q: I don't quite understand the necessity of the meeting to make President Clinton's visit a success. Wasn't it possible to guarantee the success of Clinton's visit to Japan in just a normal way through normal discussions between your two governments?

A: Both the United States and Japan in the past repeatedly said that the Japan-United States bilateral relationship is the most important bilateral relationship in the world. Now, Mr. Ryutaro Hashimoto has become the Prime Minister, and it is widely expected that this conviction will be once again reaffirmed. At the same time, both leaders are naturally interested in developing the bilateral relationship in many fields — not only on the trade issue, but also on the security/political relationship and on the exchange of people, on the bilateral cooperation and the global agenda and so on. Prime Minister Hashimoto, before he became the Prime Minister, stressed that the Japan-United States relationship is the most important factor in Japanese diplomacy. It is very important for Prime Minister Hashimoto to say this directly to President Clinton. This is a very good basis for a successful visit by President Clinton.

Q: Who proposed the meeting?

A: Both sides.

Q: Telepathy? Simultaneous suggestion?

A: Always the relations are reciprocal or two-way.

Q: I just wondered where the initial proposition emanated from?

A: Why are you so interested in which one proposed it?

Q: The question in my mind is what is Clinton doing in Santa Monica? He is not in Washington, D.C.?

A: He is traveling in the United States. This is a Presidential campaign year.

Q: It has been said that it is very unusual for the Prime Minister to make a foreign trip in the middle of a main Parliamentary Session. Is that correct?

A: In the past, the new Prime Minister of Japan very often visited the United States and talked to the American President. Yes, it is unusual that Prime Minister Hashimoto will leave Japanese soil to talk to the American President during the debate on the budget. It emphasizes the importance of the meeting, and not only Prime Minister Hashimoto this time, but also President Clinton really wants to establish personal trust. I am sure that this will become a very big asset for the two countries in the future.

II. Japanese contribution to the Korean Energy Development Organization (KEDO)

Q: About KEDO. You just said that the Japanese Cabinet this morning approved the US$19 million issue. Is there any chance that this transformation is going to be common, depending on the situation in the United States?

A: I should probably explain this to you in the following way. The United States is basically responsible for the supply of crude oil to North Korea, according to the basic understanding between the United States and North Korea. The KEDO is taking care of this issue. Up until the first light water reactor is constructed, every year about US$50 million worth of crude oil should be supplied to North Korea. However, because of the financial difficulties on the side of the United States, although the United States Congress recently approved the US$19 million contribution for this, implementation of this money will be expected to be done some time in April. In this sense the KEDO is facing a short-term liquidity crisis. The Japanese Government has been approached by the KEDO and the United States. This morning the Japanese Cabinet decided to ask the KEDO to set up a special fund, and the Japanese Government decided to contribute US$19 million for this special fund. It is up to the KEDO as to how they will use this money, but we understand that this money will not be immediately used for delivering crude oil. We have extended this amount of money for the special fund, so the KEDO can utilize it for the purpose of delivery of crude oil to North Korea.

Q: Is it correct to understand that this is a one-time only donation?

A: That is right. This is a one-time donation.

Q: This is not a loan?

A: This is not a loan. No.

III. Relations between Japan and the Republic of Korea

Q: The YOMIURI SHIMBUN reported today that the Japanese Government decided not to have a summit meeting between Prime Minister Hashimoto and President Kim of the Republic of Korea during the Bangkok Summit. Could you explain?

A: What I should say is that Prime Minister Hashimoto wants to fully participate in the upcoming ASEM meeting; however, we still have to get the approval from the Diet to do so. Up until now, I am not in a position to announce which bilateral meetings can be arranged in conjunction with the ASEM Meeting in Bangkok. If you talk about a possible meeting in Bangkok between Prime Minister Hashimoto and President Kim Young Sam of the Republic of Korea, what I can tell you is that in general it is desirable for the two leaders to meet often and have direct talks; however, as far as this particular meeting is concerned, nothing has been arranged yet.

Q: When is the Diet expected to rule on this question?

A: We hope at the earliest possible time, but we have not yet received the actual approval from the Diet yet.

Q: And, the Diet approval is also required for the California meeting?

A: Yes, we have approval already from the Diet.

Q: Does the Government request such kinds of meetings?

A: We have not yet proposed to have the meeting. We have to take into consideration various factors.

IV. Issues relating to the People's Republic of China and the United States of America

Q: What about the presently worsening relationship between China and the United States. Would Japan offer — [punctuation as received]

A: Probably, if they have time, they may talk about the relationship between the United States and the People's Republic of China. They may exchange views on the situation between China and Taiwan and so on.

V. Issues involving possible reduction of United States bases in Japan

Q: After the Okinawa incident, I understand that Japan is seeking the reduction of United States bases in Japan. And, after a few months, the Republic of Korea and Japan's dispute regarding Takeshima island appeared. Do you think there is a linkage — a relation between the two principles?

A: There is absolutely no linkage between the two. Why do you think there is any linkage between the two?

Q: I am just asking.

A: This is a completely separate issue. Incidentally, on the security relationship I would like to once again explain to you that the Japanese Government and the United States are determined to maintain and develop the Japan-United States Security Treaty. And, at the same time, both sides are now endeavoring as to how to lessen the burdens on the Okinawa people who live near the American bases. In this sense, both governments are now seriously tackling how to realign, how to consolidate, and how to reduce the American bases over there. The result will be known sometime this November.

VI. Asia-Europe Meeting (ASEM) and East Asian Economic Cooperation (EAEC)

Q: First, about the ASEM Summit. Does Japan have any particular priorities with regards to that Summit, and is Japan planning to propose any initiatives to the other leaders?

A: First of all, this is an historical meeting between Asia and Europe. Both the Asian participants and the European participants are very much enthusiastic about this meeting, and Japan is no exception to this. Secondly, the nature of the Meeting is a little different from the other established meetings like the G-7 Summit. They have a tacit understanding that they can talk on the three broad issues such as how to strengthen the political dialogue between Asia and Europe, and how to strengthen economic cooperations, and how to strengthen the other types of cooperations between the two. The participants are free to touch upon the issues, and the Japanese Government is going to prepare — Prime Minister Hashimoto is going to talk about the position of the Japanese Government on the three subjects. I am not in a position to tell you exactly what Prime Minister Hashimoto is going to say at the Meeting, but for example, many participants, including Japan, want to strengthen economic ties between the two, especially among the private sectors. So, if the meeting can propose something to realize closer contact between the private sectors, I think it will be very appropriate. The Meeting will issue the so-called Chairman's Statement, and you can find the result from the Chairman's Statement. At the same time, if a sort of follow-up mechanism is established, in the long run they can pursue a good goal for strengthening the three different fields of cooperation.

Q: What kind of follow-up do you mean?

A: We still do not know. We will have to wait. Probably the Chairman's Statement will touch on that issue.

Q: How does Japan feel about the institutionalization of ASEM?

A: For the time being, not a single participant is contemplating to institutionalize the Asia-Europe Meeting (ASEM). It is widely said that probably the United Kingdom would like to host the second ASEM meeting sometime in the future, and if that is done, it will be very good, but it does not necessarily mean that the ASEM itself will be institutionalized. For the time being, I personally understand that the participants do not contemplate a secretariat for the ASEM.

Q: Is it correct that the Asian members of this summit are the same countries of the opposed members of the EAEC?

A: It is a coincidence, but this is not an East Asian Economic Cooperation (EAEC) versus the European Union meeting. The United States, for example, fully understands that. Australia and New Zealand also understand that. Basically, we are for enlarging the membership in the future. In that case, we hope some other countries will participate in the ASEM in the future from the Asia perspective and the region.

Q: Can it nevertheless be said that in some way, this group of countries is starting to function as a group for the purposes of — [punctuation as received]

A: No. I think it is completely different than the EAEC. For example, if new members are allowed to participate from the Asia- Pacific region, what you say will be wrong.

Q: Enlargement would mean Australia and New Zealand?

A: There is a possibility, yes, that it is not limited to those two countries.

Q: The Japanese position on the EAEC is still under study?

A: That is right. We are under study.

Q: Indefinitely?

A: We do not say indefinitely. We simply say under study.

Q: Does Japan intend to raise the issue of human rights during the Meeting?

A: We understand that none of the participants want to specifically engage in, for example, human rights issues or the other particular issues, but I am sure that they will touch on the subject some way or another.

VII. Regional law enforcement cooperation regarding piracy in the South China Sea

Q: May I change the subject? I have a question about the South China Sea. A report from Manila says today that President Ramos called for regional cooperation in law enforcement of pirate ships in the South China Sea. Could you tell us the general understanding on the part of the Japanese Government on the seriousness of the situation, and has the Philippine Government ever consulted with Japan on possible cooperation?

A: I am sorry, I cannot make an official comment on what President Valdez Ramos of the Republic of the Philippines said, but we understand that very recently the Philippines authorities caught a pirate ship. Very often, this kind of incident takes place in the Malacca Strait. For example, some countries in the ASEM have formed a forum to take some measures to prevent this from happening. If Japan is requested to look into this, I am sure that we will study the possibility, but I do not know whether President Ramos has officially requested the Japanese Government to do something specific. Unless we know the specific proposal, I cannot make a statement.

VIII. Routine bilateral political-military dialogues

Q: The Ministry of Foreign Affairs announced earlier this week that Japan will be holding what is described as the first political-military talks with Australia. I think it is going to be tomorrow. Could you please explain the background for that, and I am also interested to know whether Japan has a similar dialogue with — [punctuation as received]

A: The Ministry of Foreign Affairs has been conducting the so-called political-military dialogue with many countries. Personally, I did not know that this type of meeting would take place between Japan and Australia tomorrow. But, we had this same type of dialogue with China last year. We constantly have this type of dialogue with European countries and so on. It is especially important for the Japanese Government to actively participate in the ASEAN Regional Forum (ARF). In order to complement the ARF, we are happy to strengthen bilateral dialogue.

IX. Issues involving Takeshima territory

Q: Could you say if there has been any progress between Japan and Korea on the territorial dispute?

A: No progress.

Q: No problems?

A: No progress.

X. Northeast Asian Security Dialogue

Q: Former Minister for Foreign Affairs Taro Nakayama recently proposed in the United States the formation of some kind of Northeast Asian security forum. Does that represent Ministry of Foreign Affairs policy or is there no relationship at all?

A: I do not know personally what Mr. Nakayama said in the United States, but there is a forum where academic people and government representatives participate and conduct free discussion. It is called the Northeast Asian Security Dialogue. Japan, the United States, China, the Republic of Korea, the Russian Federation, and those countries at least, participate in this. North Korea has been invited to participate, but up until now, they have not participated in the dialogue.

Q: This is officials and academics?

A: Yes, but officials participate in a private capacity.

Q: So, Nakayama's proposal was not official?

A: Probably, but I am not aware of his proposal. Thank you very much.

Japan: Ikeda, University Professors on Summit, U.S. Ties

OW2502132296

[FBIS Editorial Report] Tokyo NHK General Television Network in Japanese at 0000 GMT on 25 February in its "Sunday Discussion" program carries a 60-minute roundtable discussion among Foreign Minister Yukihiko Ikeda, international consultant Yukio Okamoto, Teikyo University Professor Toshiyuki Shikata, and Keio University Assistant Professor Heizo Takenaka and moderated by NHK commentator Takashi Yamamoto.

Yamamoto begins the discussion by asking the foreign minister if Prime Minister Ryutaro Hashimoto managed, at his first Japan-U.S. summit meeting, to build a relationship of trust with President Clinton. The foreign minister says: "I think so. As you know, the purpose of the recent trip was to construct a private relationship of trust."

Asked why the prime minister visited the United States although President Clinton is scheduled to come to Japan in April, Okamoto says that it was a good idea because it would be very difficult to hold a meeting with the President once his election campaign hits full stride. Shikata says the meeting, although short, will have a positive impact on the Japan-U.S. summit talks slated to be held in April.

About the current relationship between Japan and the United States, the foreign minister says: "Basically, it is good. The main theme of the April summit talks is to literally reconfirm the importance of the Japan-U.S. Security Treaty under the new international situation." "During the recent summit meeting, Mr. Clinton said that the current economic relations between Japan and the United States are in a comfortable state." He adds: "Overall, the relationship is good."

Quoting the prime minister as saying that he received a good signal from the President regarding the Okinawan issue, Yamamoto asks the foreign minister if negotiations for the return of the land used as U.S. military bases are progressing smoothly. The foreign minister says: "Following the discussions at yesterday's summit talks, we will energetically promote the negotiations."

On the reorganization and reduction of U.S. military bases in Okinawa, Shikata says that under the present situation surrounding Japan, it is not feasible to eliminate all of the bases in Okinawa by 2010. He continues, explaining the need for all Japanese people to share the "pains" of the Okinawan people. Takenaka points out that some security specialists in the United States are negative about base reduction. At the same time, he also says that the Japanese Government should explain to the people the need for U.S. bases under the new international situation. The foreign minister agrees with Takenaka, saying: "What you have said is quite right. We still need the security treaty." "As Mr. Takenaka said, the security treaty is necessary, not only for Japan, but also for the United States as well. Under the new international situation, it works for U.S. interests, too."

Asked if the government is actually studying the possibility of relocating the Marine Corps Air Station [MCAS] Futenma to the mainland, Ikeda says: "Prime Minister Hashimoto referred to MCAS Futenma as one of the items included in the list of strong requests by Okinawa. He just cited the name as one of the items. He was not saying that he would do something concrete about it." Yamamoto asks if the Japanese Government will submit specific proposals for the reduction of U.S. bases to a Japan-U.S. special committee meeting slated to be held at the end of February. Ikeda says that this is not a matter of making one-sided requests or proposals, but something that both Japan and the United States have to do together.

Asked if the government will be able to show a future course for base reduction by April, Ikeda says: "Yes. What we have been saying so far is that we will announce concrete results by the fall, and that we have to show a clear course at the April summit meeting, because it is a major turning point. We will do it." "We have to show a clear course for base reduction."

Asked why both countries have to review the security treaty, Ikeda says: "Needless to say, many years have passed since we signed the Japan-U.S. Security Treaty. The Cold War ended a long time ago, and the international situation has changed since then. Both countries should have studied long ago how we could characterize the significance of the treaty under the new international situation. But, both Japan and the United States have been shelving the study for many reasons."

On the Taiwan Strait issue, Yamamoto asks Okamoto if the situation will escalate into armed conflict. Okamoto says it is possible that China may take provocative actions in the wake of the domestic power struggle between the Jiang Zemin-faction and other groups. Ikeda rules out such a scenario, saying: "I do not think there is a possibility that the situation will develop into an armed conflict."

Going back the issue of reviewing the Japan-U.S. Security Treaty, Yamamoto asks Ikeda if both countries will rewrite the treaty itself. Ikeda says: "We are not going to revise the treaty. It is clear that the treaty is needed to safeguard Japan's security and to maintain peace in the Far East region." He points out that what is different now from then are the reasons why the security arrangement is important. He says it was necessary back then due to the Cold War between the East and West blocs, but now that the Cold War has ended, the security arrangement is necessary to ensure Japan's own security as well as to help maintain stability in the Asia-Pacific region. Ikeda points out that Japan can defend itself by adapting the security arrangement to the changing world situation and claims that as long as the security arrangment is intact, it will be beneficial for the entire Asia-Pacific region.

Asked if Prime Minister Hashimoto had detailed discussions with President Clinton on the Korean Peninsula situation. Ikeda says: "It was a one-hour meeting. They only mentioned the Korean Peninsula situation, China-Taiwan relations, and other matters without having detailed discussions."

Asked what he thinks of the North Korean situation, Ikeda says: "In a narrow sense of world politics, I think the Kim Chong-il regime is stable, because he does not have a rival force. However, North Korea is in very difficult economic and social situations."

On the importance of the security treaty, Ikeda says: "In April, we will declare to the people of Japan, the United States, and Asia that the security treaty is needed by all means for security and overall Japan-U.S. relations."

On future Japan-U.S. relations, Ikeda says that both countries need to work together for the formation of a new world order, saying: "As responsible partners, we have to form a new world framework."

The discussion ends at 0100 GMT.

Japan: Hashimoto on Impression of Clinton Upon Return Home

OW2502115696 Tokyo NHK General Television Network in Japanese 1004 GMT 25 Feb 96

[Announcer-read report; from "NHK News" program]

[FBIS Translated Text] Prime Minister Ryutaro Hashimoto, who visited the United States for the first time since his inauguration as prime minister, returned home this afternoon after concluding a summit meeting with U.S. President Bill Clinton.

After returning from the United States, Hashimoto told reporters this evening about his impression of President Clinton, saying: I felt that the President has everything well-organized when he talks with someone.

Hashimoto then stressed what was accomplished at the talks, saying: Using the Foreign Ministry's description, our relationship has grown into one where we call each other by our first names, Bill and Ryu, but we never talked about individual topics. However, we both were serious when we talked. Although in terms of content our talks lasted only 30 minutes in reality because of the language barrier, we were able to confirm our basic policies. I believe that the details of individual issues will be worked out at working-level meetings.

Hashimoto now plans to deal with such tasks as Diet deliberations on the FY96 draft budget which incorporates a plan to allocate 685 billion yen for the jusen disposal scheme and the Asia-Europe Meeting, which is to be held in Bangkok, Thailand, beginning on 1 March.

Japan: Editorial Notes Summit Results Fall Short of Expectations

OW2502054596 Naha OKINAWA TIMES in Japanese 25 Feb 96 Morning Edition p 5

[Editorial: "Disappointment with Japan-U.S. Summit"]

[FBIS Translated Text] **Where Has Firm Resolve Gone?**

Prime Minister Ryutaro Hashimoto departed for the Japan-U.S. summit talks with a firm resolve to do his best to settle Okinawa's U.S. base problems; however, the summit result did not meet at all meet our expectations.

In the first summit meeting held in Santa Monica, near Los Angeles, Prime Minister Hashimoto and U.S. President Clinton did not reach any accord except for a rough policy to give top priority to the Okinawa issues and to work out certain solutions before Clinton's Japan visit in April.

When Hashimoto requested the United States' "maximum cooperation" to streamline, realign, and scale down U.S. military facilities in Okinawa, Clinton just said "I would like to deal flexibly with the issue with consideration for the feelings of Okinawan people."

We understand Hashimoto's purpose for the trip was to "build confidence and friendship with the U.S. President." However, we also expected some visible progress from a meeting of the leaders of the two nations.

On the eve of the trip, Hashimoto showed his resolve to positively talk about the Okinawa issue with the United States, stressing "Washington should understand the suffering and sorrow of the Okinawan people, and take flexible action to settle the existing problems."

Okinawa watched for developments from the summit in light of the prime minister's firm resolve; however, the agreement between the two leaders was the same old policy to "give top priority for work on the issue," showing no definite measures for settling existing problems. Judging from this, we cannot help being pessimistic about the next summit in April.

Prime Minister Hashimoto reportedly noted the need for streamlining or scaling down the Marine Corps Air Station [MCAS] Futenma as a strong demand from the Okinawan Prefectural Government. We cannot help having great questions and suspicions about such an attitude.

It is true that streamlining and scaling down MCAS Futenma is a sincere desire for Okinawa. We note though that the Japanese Government showed its inability for handling the base issue by introducing it as a prefectural-level request at intergovernmental summit talks.

Is the Japanese Government merely a mediator between Okinawans and the U.S. Government?

The problem of bases in Okinawa is not a problem only for Okinawa but is a problem for the entire nation. The Japanese Government must seriously discuss the issue as an international issue, especially if it is inseparable from that of updating Japan-U.S. security ties.

In a news conference following the summit talks, Hashimoto stated "I obtained favorable signals for the future." But it is still unclear how favorable that signal is. Is that a U.S. pledge of cooperation for Hashimoto's indication of MCAS Futenma as an example? If so, Okinawan people would not be satisfied with such a small progress.

The Okinawa Prefectural Government has formulated and advocated its own plan for returns of U.S. bases. We believe U.S. accord on return of the Marines' Northern Training Area and the transfer of helicopters from MCAS Futenma could not have been reached without the definite proposal from Okinawa.

Government Incapable To Work out Definite Proposals

At the Japan-U.S. security consultation committee organized by foreign and defense ministers of the two nations (2-plus-2), the Japanese and U.S. Governments have already agreed to seek 1) relocation of functions of MCAS Futenma to other bases in Japan and scaling down U.S. bases by return of the Northern Training Area; 2) restraint of marching trainings off base and review of flight training programs, including revision of air routes and flight schedules of jet fighters and helicopters for noise reduction; 3) reconsideration of the strength of U.S. Forces Japan [USFJ] when the Asian situation — such as the Korean Peninsula situation and PRC-Taiwan relations — shows positive turns. The summit only confirmed the existing framework, and we cannot regard it as a result of the best efforts of the two leaders.

The Japanese Government has never spoken out about its concept of the desirable status of the USFJ. Why? The only possible answer is Japan's follow-the-United-States policy shown as maintenance of the bilateral security treaty. In fact, at the summit talks, Hashimoto and Clinton reconfirmed the significance of the Japan-U.S. Security Treaty as the foundation of important bilateral ties, and agreed to further strengthen security ties.

Japan cannot demand the removal of U.S. bases under the policy to strengthen bilateral security ties rather than USFJ troop cuts. After all, the Japanese Government will put a period on this issue as the United States wishes. Okinawan people are irritated with such attitudes of the Japanese Government.

Under such circumstances, the third hearing of the prime minister's lawsuit against Governor Ota, for his refusal of proxy signing on the paper necessary for continuing compulsive use of private lands.

Government Should Think About Mutual Confidence With Okinawan People

At the hearing, the Fukuoka Higher Court—Naha Branch—decided not to view the legality of the compulsive use of private properties for the construction of military facilities, noting "the prime minister's approval of land use will not be handled in this case." Lawyers of the prefectural government and hearers are increasingly distrustful of the court's "pro-government trial steering."

The government has been saying a settlement of Okinawa's base issue is its "top priority task." If really so, what has been the government's stance toward handling the issue as its own problem? Today, Okinawan people are looking for sincere action, not mere honey-coated words.

We believe true confidence should be built on the foundation of the equality and respect of the popular will. We do understand the importance of confidence between Japan and the United States; nonetheless, the government must not forget about confidence-building with the people. We will keep our eyes on the April summit, and we hope Prime Minister Hashimoto will place himself on the standpoint of the people, rather than that of the United States.

Japan: Editorial Views Forthcoming Hashimoto-Clinton Summit

OW2302164396 Tokyo MAINICHI SHIMBUN in Japanese 23 Feb 96 Morning Edition p 5

[Editorial: "Do Not Hold the Summit Just To Win Domestic Support"]

[FBIS Translated Text] There is an air of "uneasiness" between Japan and the United States.

Needless to say, we should not exaggerate the situation. The Japan-U.S. relationship has stood firm, based on the accumulation of history for over half a century; to be precise, a century and a half. They have come to understand each other deeply. However, there is still something annoying us.

There are various factors contributing to the "uneasiness," and they have not appeared suddenly. Lately, they have assumed a serious aspect. We are concerned about the possibility that these factors will harm the important confidential ties between the two countries.

Undoubtedly, the biggest incident these days is the rape of a schoolgirl by U.S. servicemen in September of last year. This shook up even the bilateral security arrangements. People staged rallies, screaming out, "U.S. solders go home."

As it is sensitive about the security issue in particular, the United States has been shaken by Japan's move. It was probably the first shock for the United States after the 1960 struggle involving the bilateral security treaty. In the 1960's, the United States remained relatively calm. However, at present, Japan is the biggest creditor of the United States and has a trade surplus. Under such circumstances, the United States has been overwhelmed by the sentiment: "Do we need to protect Japan?"

As for Japan, it does not feel like a nation "under U.S. protection." The Cold War has ended and military threats have diminished. Some even think that "Japan kindly leases the bases" for U.S. strategies. It can be said that such a perception gap between the two countries is creating more "awkwardness."

Another factor causing this is the trade frictions that emerge one after another. While neglecting its obligation to make business efforts, the United States pushes its own way. While ignoring its excessive protectionism in domestic industries, Japan criticizes the U.S. attitude. Business profits have been secretly replaced with "national interests." It rubs national sentiments the wrong way. "Awkward feelings" are, therefore, further deepening.

But something is wrong. Forget the U.S. stance for a moment. Let us look at Japan's situation. While acknowledging how important the security framework is, the Japanese people say that they wish to avoid the burden of maintaining it if they can. This is the attitude of the mainland that angered Okinawa Governor Masahide Ota.

Whatever the reason, the high cost of living in Japan is not normal. For example, public charges are unfairly expensive; you can buy the same Japanese product at a cheaper price in foreign countries; and some food, which costs less than 100 yen for several pieces abroad, is being sold in Japan at several hundreds of yen for one piece. What a mystery is the distribution system. Behind this is the bureaucrats who are supporting it, and politicians who are taking a lion's share of it. These are the people who play innocent but talk about "national interests."

Prime Minister Ryutaro Hashimoto will visit the United States on 23 February to hold talks with President Bill Clinton. It has only been about two months since he was inaugurated as prime minister. He will make the visit, taking aside the issues of housing loan companies (known as jusen) and Diet deliberations on the draft budget. There is also backbiting that the prime minister is "going to the United States just to pay homage" to the President.

We do not say this is not true. However, daringly abstaining from mentioning that, we would like to see off the prime minister who will leave for the country. If his visit contributes to easing the current "strained mood" between the two countries to some extent, this will be most significant.

Therefore, we hope the two politicians keep the following points in mind. The President might be eager to perform political "stunts" with the presidential election near at hand. However, we hope that he will persistently refrain from playing a short-term game of scoring good points for the sake of appealing to the voters. On the prime minister's part, we strongly hope that he will make no attempt to avert the public outcry over the jusen issue.

The most major topic for the summit meeting is probably the issue concerning U.S. military bases on Okinawa. Although visible results might be important, we hope that the two leaders will hold talks that can bring about prospects for the future. There is nothing more important than the further solidification of the relationship of trust between Japan and the United States.

This will be the 66th Japan-U.S. summit meeting since the end of World War II. It has been two years since Japan and the United States said "No" to each other in economic issues. We hope that the two countries will not say "No" to each other again in the security issue.

Japan: Editorial Views Hashimoto 'Mission' at Summit

OW2302145596 Tokyo YOMIURI SHIMBUN in Japanese 23 Feb 96 Morning Edition p 3

[Editorial: "The Mission Assigned to Hashimoto in His U.S. Visit"]

[FBIS Translated Text] Prime Minister Ryutaro Hashimoto will visit the United States from 23 February and meet with U.S. President Bill Clinton in Santa Monica, California.

This will be Hashimoto's first overseas trip since his inauguration as prime minister. We would like to view his choosing to visit the United States as an expression of his intention to continue to place importance on Japanese-U.S. relations as an "invaluable bilateral relationship" for the Hashimoto administration.

Japan and the United States have been continuously probing ways to restructure post-Cold War era bilateral relations toward the 21st century.

The summit meeting to be held during Clinton's visit to Japan in April is also an important part of such efforts. Hashimoto and Clinton are scheduled to issue a joint declaration to "reconfirm" the Japanese-U.S. security arrangement.

Their meeting in Santa Monica will serve to "lay the groundwork" so that this process of reconfirming the security arrangement will proceed smoothly. It is important for the two leaders to clearly show their own people and people of other countries their determination to maintain and strengthen bilateral relations by exchanging views in a straightforward and relaxed manner.

This will also help Hashimoto "get personally acquainted with the President" in their "first face-to-face meeting."

At the meeting, the two leaders are expected to discuss, among other issues, how to deal with the situation on the Korean peninsula, which is becoming uncertain due to the DPRK's (North Korea) moves, and the increasingly strained relations between the PRC and Taiwan. Of course, it is also expected that they will take up problems related to U.S. military bases on Okinawa.

This is because both Hashimoto and Clinton share a common understanding that these issues are all pivotal in bilateral relations and are closely intertwined with the Japanese-U.S. security arrangement.

Regarding realigning and reducing U.S. military bases on Okinawa or relocating them to the Japanese mainland, Japan and the United States have been making arrangements so that a basic direction can be spelled out by the time the President visits Japan in April.

We would like to see the two leaders hold discussions toward a realistic settlement of the problems based on their acknowledging the reality of Okinawa and the importance of the bilateral security arrangement as well as the U.S. forces stationed in Japan, which support the security arrangement.

The two leaders must also deal with these problems in perfect harmony in order to prevent remnants of the "antisecurity alliance" forces from gaining strength.

The bilateral trade imbalance, which is the source of economic friction, has shown signs of improvement, as exemplified by the sharp increase in U.S. exports of automobiles and other products to Japan. As a result, the U.S. Government has softened its stance against Japan, as indicated in the President's 1996 Economic Report, which was recently submitted to Congress, and the annual report by the President's Council of Economic Advisers.

We hope that at their meeting, the two leaders will confirm their intention to make efforts to further accelerate this favorable turn of events.

The results of a survey conducted jointly by YOMIURI SHIMBUN and the U.S. Gallup Organization, Inc., last October in Japan and the United States showed that 32.4 percent of the respondents in Japan felt that Japanese-U.S. relations were "bad." For the first time since the poll began in 1978, this figure surpassed the percentage (23.2 percent) of people who felt Japanese-U.S. relations were "satisfactory." Even in the United States, the percentage of respondents who felt bilateral relations were "satisfactory" was the second lowest figure ever registered.

It is observed that not only people's becoming less conscious of the Japanese-U.S. "alliance" following the collapse of the Cold War structure, but also the "Okinawa" issue, among other factors, affected the poll results.

The mission assigned to Prime Minister Hashimoto is to make this meeting a starting point for joint efforts by Japan and the United States to build a solid bilateral relationship.

Japan: Usui on Reviewing Defense Cooperation With U.S.

OW2602131596 Tokyo ASAHI SHIMBUN in Japanese 24 Feb 96 Morning Edition p 7

[FBIS Translated Text] Defense Agency Director General Hideo Usui attended a session of the Lower House Security Committee on 23 February. Touching on "the Japan-U.S. Defense Cooperation Guidelines," which stipulates how our two countries should cooperate in defense in an emergency, Usui said: "The present guidelines are based on the old Defense Program Outline. With the adoption of the current Defense Program Outline, the Cooperation Guidelines should also be readjusted in line with the new Defense Outline." In this way, Usui indicated his intention to start reviewing the guidelines.

In connection with this issue, Defense Policy Bureau Chief Masahiro Akiyama once pointed out that in the present guidelines, no progress has been made in the study of bilateral cooperation in an emergency in the Far East, and that various factors — which have to be taken into consideration in working out plans for joint operations — as stated in the old and new Defense Outlines have changed. And Director General Usui added: "New guidelines should be worked out. However, since we still have to hold consultations with the United States, we would like to have a little more time to study this issue cautiously."

Japan: Hashimoto Indicates Stance on Trade Issues at Summit Talks

OW2502160996 Tokyo NIHON KEIZAI SHIMBUN in Japanese 25 Feb 96 Morning Edition p 3

[By reporter Satoshi Kittaka]

[FBIS Translated Text] Santa Monica (California, United States of America), 24 Feb — At his first summit meeting with U.S. President Bill Clinton, Prime Minister Ryutaro Hashimoto indicated Japan's basic stance toward settling economic issues in four sectors that stand between Japan and the United States. Hashimoto told Clinton that Japan does not intend to intervene in the semiconductor and the photographic film sectors in which Japanese and U.S. firms are able to freely enter each other's markets. He wanted to make sure that the United States would not try to settle negotiations in the four trade sectors completely via intergovernmental talks. On the other hand, Hashimoto hopes that the Japanese and U.S. Governments can soon conclude negotiations over the cargo aviation and insurance services sectors where governmental regulations still exist.

In his talks with Clinton, Hashimoto stressed Japan's policy to refrain as much as possible from intervening in trade friction between the private sectors of the two countries. This is based on the Japanese Government's reflection on the automobile friction which was taken up in intergovernmental negotiations and became a serious political issue.

In a news conference after his meeting with Clinton, Hashimoto said: "A new framework of trade rules called the World Trade Organization (WTO) has emerged and is already functioning." He then made reference to a meeting of representatives from Japanese and U.S. semiconductor circles held in Hawaii on 23 February and stressed: "What is important is that the private sectors make efforts and the government avoid intervention."

The Japanese Government believes that "if the government intervenes when mutual reliance between private Japanese and U.S. companies is deepening, it will only aggravate the situation instead" (according to a senior official at the Ministry of International Trade and Industry). The government maintains that even if a problem arises which it should try to handle, the problem should be resolved as much as possible via the WTO or in line with other international rules instead of through bilateral negotiations. Of the four trade sectors, the Japanese Government intends to stick to such a policy of nonintervention in the semiconductor and the photographic film sectors. However, as was the case with the automobile issue, the Clinton administration is directing an offensive against Japan with a united front put up by the government and private sectors. Both the semiconductor and photographic film businesses in the United States have strong political sway. With the U.S. presidential election coming up, it is possible that their political influence may increase. It may be said that how far the Hashimoto administration can manage to stick to its policy by insisting that these are problems between private businesses depends on future U.S. moves.

As for the remaining insurance services and cargo aviation sectors, the Japanese Government intends to continue negotiations with the U.S. Government since these sectors are under governmental regulation. It hopes the two sectors "can be settled or moved forward before the U.S. President's visit in April" (according to a source who accompanied Hashimoto to the United States).

Japan: Business Conference Starts in San Francisco

OW2602053396 Tokyo KYODO in English 0448 GMT 26 Feb 96

[FBIS Transcribed Text] San Francisco, Feb. 25 KYODO — A meeting of the Joint Executive Committee of the Japan-U.S. Business Conference opened Sunday [25 February] evening in San Francisco to exchange views over trade and diplomatic issues between the two countries.

Committee members from the two countries discuss contentious bilateral economic issues in a bid to form agreements between Japan and the United States on such issues without reviving trade friction, sources close to the conference said.

The issues involved are semiconductors, photographic film, air cargo and insurance, which U.S. President Bill Clinton regards as "four unresolved problems," they said.

Participants will also exchange views over the problem of Japan's financial system, the sources said.

Business leaders from Japan are expected to explain to the U.S. participants the Japanese Government's plan to liquidate seven troubled housing loan companies, which is currently being debated at the Diet session, they said.

Japanese ambassador to the U.S. Kunihiko Saito expressed at a reception held before the joint meeting his hope for cooperation in the private sector toward solving the bilateral economic issues.

"It is important to prevent economic issues from developing into political ones in order to maintain sound relations between the two countries," Saito said.

The attendants of the meeting are such prominent Japanese as Yoichiro Kobayashi, head of the Japan-U.S. Economic Council and chairman of Fuji Xerox Co., Shoichiro Toyoda, chairman of the Federation of Economic Organizations and chairman of Toyota Motor Co.

Among the U.S. business leaders attending are General Motors Corp. Chairman Jack Smith and Caterpillar Inc. Chairman D. V. Fites.

The Japan-U.S. business conference is held annually to strengthen mutual understanding through discussion between respective member business leaders from both countries.

Japan: Peacekeepers Assume Full Duties in Golan Heights

OW2302132196 Tokyo KYODO in English 1146 GMT 23 Feb 96

[FBIS Transcribed Text] Golan Heights, Feb. 23 KYODO — The Japanese Self-Defense Forces [SDF] contingent participating in a UN peacekeeping mission in the Israeli-held Golan Heights began Friday [23 February] to independently carry out its newly assumed transport duties.

Since formally taking over for the Canadian contingent's logistical responsibilities for the 1,000-strong UN Disengagement Observer Force (UNDOF) on Feb. 12, the SDF troops had been transporting supplies from ports and airports in Syria, Lebanon and Israel in cooperation with their Canadian predecessors.

However, from now on the 43 Japanese soldiers will be on their own. The contingent will be replaced after six months, while the mission itself is scheduled to last two years.

The start of the SDF's full assumption of mission responsibilities came without much fanfare as no special ceremony was held and the Canadian soldiers celebrated their withdrawal separately.

In the case of an emergency the SDF troops will also transport UNDOF troops from other countries.

Japan: JETRO Sees Open European Mart as Biggest ASEM Theme

OW2302132096 Tokyo KYODO in English 1138 GMT 23 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 23 KYODO — The biggest theme for the East Asia-Europe summit next month is opening of the European market more widely for Asian products, the Japan External Trade Organization (JETRO) said in a report Friday [23 February].

The semiofficial trade organization analyzed trade and investment between Asia and the European Union (EU) ahead of the first Asia-Europe Meeting (ASEM), scheduled for March 1-2 in Bangkok.

The gathering brings together leaders and representatives from 10 Asian countries — the seven members of the Association of Southeast Asian Nations (ASEAN), China, Japan and South Korea — and the 15 EU countries and the president of the European Commission.

According to the report, combined exports by 15 countries in the EU to other regions in the world have grown a mere annualized 1.8 percent during the period between 1990 and 1994, but those to the 10 Asian countries have posted a sharp 9.6 percent in the same period.

The ratio of the EU's exports to Asia relative to the total has also increased to 6.2 percent in 1994 from 4.6 percent in 1990, it said.

On the other hand, combined exports by the 10 Asian countries to other parts of the globe have expanded by an annualized 11.6 percent during the same five years, but the growth in exports for EU countries has remained lower at 6.6 percent, the report said.

As a result, the ratio of exports by the 10 countries to the EU region has dropped from 17.4 percent to 14.5 percent.

The report also noted a similar phenomenon is seen in investment by European countries in Asia.

Nine of the 10 Asian countries, excluding Brunei, have accepted investment of a combined $8.8 billion by EU countries in 1994, doubling from a combined $4.4 billion in 1990. But the ratio of the EU's investment to the total amount the Asian countries received has decreased to 10.8 percent from 13.3 percent during the period, it said.

The report said Asian countries are expected to call for the EU side at the meeting to open its market more widely for Asian products and to increase investment in the region.

More specifically, Asian countries aim at making the EU take some steps to open its market, including improvement in its antidumping taxation measures, the JETRO report said.

Japan: Diplomatic Missions in Sri Lanka Threatened

OW2502124896 Tokyo KYODO in English 1202 GMT 25 Feb 96

[FBIS Transcribed Text] Colombo, Feb. 25 KYODO — The Japanese and Malaysian diplomatic missions in Colombo have received death threats from a shadowy group, a local daily reported Sunday [25 February].

Believed to be a front organization of the rebel Tamil Tigers, the Ellalan Group has been issuing warnings from time to time telling the Sri Lankan Government it will strike hard at sensitive targets, among them foreign investments and tourist spots.

According to the Colombo-based SUNDAY TIMES, the Japanese Government had been warned not to issue a visa to a Tamil United Liberation Front member of parliamnet, Neelan Tiruchelvam, to attend a seminar in Japan.

Tiruchelvam said he had opted out of the seminar some time ago because of official engagements in Colombo and had not applied for a visa. The threat to the Malaysian mission in Colombo follows the Malaysian Government's outlawing support for the Tamil Tigers, and warning that the permanent status of foreigners supporting them would be revoked.

Malaysia is the first country to have done so, although Sri Lanka has been pushing the European Union to do the same.

Japan: LDP Proposes Taxation of Banks' 'Jusen' Write-Offs

OW2302152696 Tokyo KYODO in English 1514 GMT 23 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 23 KYODO — The Liberal Democratic Party (LDP) has proposed that disposal of bad loans by the founder banks of seven housing loan firms be subject to taxation as a way of having the banks shoulder a greater burden in the liquidation of the housing lenders, financial sources said Friday [23 February].

The LDP, the largest force in the three-party ruling coalition, has filed the proposal with the founder banks, the sources said.

The banks that founded the seven home mortgage firms are deeply involved in the operations of the seven firms known as "jusen," due to be liquidated under the government-brokered scheme with the help of taxpayers' money.

The LDP plans to keep unchanged the government's budget proposal for fiscal 1996 which begins in April that calls for spending 685 billion yen in public funds in disbanding the jusen, the sources said.

The LDP proposal, if realized, could boost the founder banks' share in the liquidation scheme to much the same amount as that of public funds.

The LDP also proposed raising deposit insurance premiums to cover a shortage in funds needed for the disposal of the insolvent mortgage firms as another way to place a heavier burden on the banks, the sources said.

The government bailout scheme calls for hiking such premiums to seven times the present 0.012 percent, but the LDP is seeking even higher premiums.

Moreover, the idea is emerging within the party that the period of the ban on former Finance Ministry officials finding new high positions in the industrial sectors which they previously supervised should be extended to five years from the current two years, the sources said.

They said the LDP intends to put together details of the proposal after consultations with the Social Democratic Party (SDP), the second largest ruling party, and New Party Sakigake, the smallest, in order to announce it after Diet passage of the fiscal 1996 draft budget, expected early next month, they said.

Japan: LDP Seeks 'Greater Burden' on 'Jusen' Founding Banks

OW2502094296 Tokyo KYODO in English 0932 GMT 25 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 25 KYODO — Koichi Kato, secretary general of the ruling Liberal Democratic Party (LDP), said Sunday [25 February] that the government's controversial liquidation scheme for seven moribund housing loan companies, known as "jusen," should place a greater burden on the commercial banks that founded them.

"Without changing the disposal scheme, I want the founder banks to feel responsibility in other fields," Kato told a press conference in Nagasaki, southwestern Japan.

The LDP feels that a greater burden on the founder commercial banks is needed in fulfilling the scheme to use 685 billion yen in taxpayers' money to liquidate the failed mortgage firms.

Kato said the LDP, led by Prime Minister Ryutaro Hashimoto, will reach some conclusions on measures to increase the banks' burden by early next month.

Among the measures that the LDP is reportedly considering are a hike in the rate of deposit insurance premiums imposed on the commercial banks and increasing the burden on jusen founder banks to cover 1.2 trillion yen in future losses resulting from write-offs of the mortgage companies' bad loans.

The banks that founded the seven mortgage firms are deeply involved in the operations of the companies due to be liquidated under the government-brokered scheme.

The housing loan companies are virtually insolvent as a result of the bursting of the economic bubble in the early 1990s, which has sent real estate prices plummeting nationwide.

In a related development, a senior official of the Social Democratic Party, one of the three ruling coalition parties, told a TV program in Tokyo that the government will make efforts to reduce taxpayers' burden in the jusen scheme to handle the 1.2 trillion yen "secondary" losses by placing more responsibility on the founders.

Shigeru Ito, chairman of the SDP's policy-making board, said the party will also press ahead with far-reaching reform of the Finance Ministry by setting up a special committee in the Diet.

The SDP has said, however, the party will go ahead with the government's scheme to use 685 billion yen of taxpayers' money to help write off 6.41 trillion yen in initial losses upon liquidation of the housing lenders.

Masayoshi Takemura, head of the third ruling partner New Party Sakigake [Harbinger], told another TV program in Tokyo that relieving the Finance Ministry of inspection and governance of financial institutions is an essential part of the ministry's reform.

The coalition government comprising the LDP, the SDP and Sakigake has clashed in the Diet with the largest opposition party, Shinshinto (New Frontier Party), and the Japanese Communist Party over the "jusen" scheme.

Kazuo Aichi, Shinshinto's policy board chairman, told a press conference in Sendai, northern Japan, that the party will stick to its demand the government omit the 685 billion yen from its fiscal 1996 budget.

"There is no room for talks, as freezing or suspending (the 685 billion yen portion) and the like are nothing but tricks," Aichi said.

Japan: 'Jusen' Loans Guaranteed by Major Contractors

*OW2402143696 Tokyo KYODO in English
1104 GMT 24 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 24 KYODO — Some 56.2 billion yen in outstanding loans for real estate projects from the seven failed mortgage firms or "jusen" are guaranteed by five major construction companies, industry sources said Saturday [24 February].

The sources said most of the projects have failed in the wake of the bursting of the asset-inflated bubble economy between the late 1980s and early 1990s, making it certain the five contractors will have to pay for the debts on their own.

"This is the bill for major construction companies guaranteeing loans from financial institutions to raise funds for purchases of land through real estate companies," one industry source said.

The five companies in question are Tokai Kogyo Co., Aoki Corp., Tada Construction Co., Ishihara Construction Co., and Kumagai Gumi Co.

Among them, Aoki has guaranteed the largest amount of such loans at 22.8 billion yen, followed by Tokai with 22 billion yen, Tada with 8.7 billion yen, Ishihara with 1.5 billion yen and Kumagai Gumi with 1.2 billion yen.

Under an unpopular scheme, the government plans to use 685 billion yen in taxpayers' money to help mop up losses resulting from the liquidation of the seven mortage firms, saying the step is necessary to prevent the financial system from falling into confusion.

Including loans from other financial institutions to real estate companies, the five contractors and five other major construction companies together have guaranteed a total of 143.5 billion yen in outstanding loans, according to their financial reports.

The five other companies are Kajima Corp., Hazama Corp., Tokyo Construction Co., Toda Corp. and Fukuda Corp.

Tokai Kogyo came first in terms of such loans with 53.3 billion yen, followed by Aoki with 32.3 billion yen, Tokyu with 23.6 billion yen, Tada with 16 billion yen, Kajima with 4.4 billion yen, Hazama with 3.8 billion yen, Ishihara with 3.8 billion yen, Toda with 2.7 billion yen, Fukuda with 2.4 billion yen, and Kumagai with 1.2 billion yen.

Japan: Ministry Eyes Tighter Disclosure Rules for Derivatives

*OW2302132396 Tokyo KYODO in English
1018 GMT 23 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 23 KYODO — A Finance Ministry study group Friday [23 February] came up with tighter standards for the disclosure of information on derivative transactions by nonfinancial companies.

The new requirement will closely resemble disclosure standards adopted by the United States and European nations for derivative trading, ministry officials said.

The 14-member study group will present the tighter standards to a task force of the Securities and Exchange Council, an advisory panel to the finance minister, the officials said.

The ministry will aim to introduce the new standards from account settlements for the business year which ends in March 1997, they said.

Nonfinancial companies are currently required to disclose information on futures, options and currency forward transactions in financial documents.

Under the new standards, however, the scope of regulation will be for all derivative transactions, including swap deals, which account for the bulk of overall derivative trading, the ministry officials said.

The new standards will also call on companies to report the details of derivative transactions, including their purposes and risks involved, as well as the trading value of over-the-counter deals, they said.

These steps will provide investors with information to assess investment risks and also help companies strengthen internal risk check functions, the officials said.

The study group has been discussing the disclosure issue since last April amid rapidly growing transactions in interest rate swaps and other highly sophisticated financial tools.

Because of a lack of appropriate risk management, several companies have been incurring losses from such derivative transactions, including Nippon Sanso Corp., a major oxygen producer that suffered huge losses from swap trading in March 1995.

As for disclosure standards for derivative transactions by financial companies, the ministry is now discussing the issue at a separate panel.

Japan: MOF Said Considering Financial Industry Watchdog

OW2302132896 Tokyo KYODO in English
1226 GMT 23 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 23 KYODO — The Ministry of Finance [MOF] has begun studies on reforms of its organization, including the creation of a new agency that will inspect and supervise all types of financial institutions, ministry sources said Friday [23 February].

An overhaul of financial policies is unavoidable, given the ministry was slow in handling a series of failures of financial institutions, including the seven moribund mortgage loan companies to be liquidated with the help of taxpayers' money, they said.

But many twists and turns are expected before the ministry reaches a conclusion on its reorganization.

The idea of creating a new financial industry watchdog is expected to draw objections from other government ministries which now share supervisory powers with the finance ministry, analysts said.

There is also the argument that such an agency will rather strengthen the finance ministry's influence unless its independence is fully secured, they said.

The three ruling coalition parties earlier set up a task force to study the ministry's organizational reforms.

The panel is expected to start discussing the issue in earnest once the government's budget plan for fiscal 1996, which starts next April, is enacted in the Diet.

Amid strong criticism of its slow response to the bad loan mess at the mortgage loan companies, the ministry apparently wants to give the impression that it is positively tackling organizational reforms, analysts said.

There are mounting criticisms over the ministry's failure to take decisive action against the seven mortgage companies when it first became aware of their critical situation.

Because of the slow response, the government is now being forced to liquidate the mortgage companies with the help of a massive amount of taxpayers' money, critics say.

One of factors that made difficult the ministry's quick response to the housing loan fiasco is lack of concentrated supervisory powers over financial institutions.

The Finance Ministry supervises commercial banks, while credit unions we subject to supervision by prefectural governments.

The Agriculture, Forestry and Fisheries Ministry watches financial services provided by agricultural credit cooperatives, but supervision of consumer credit and other nonbank moneylenders is shared by the Finance Ministry and the Ministry of International Trade and Industry.

As a result, the idea of creating a new body that would supervise all types of financial institutions is now gaining momentum.

If the Finance Ministry's bank inspection and supervisory functions are transferred to the proposed body, its banking bureau could concentrate on financial policy management, keeping a certain distance from the industry, analysts said.

There are plans to create a new financial watchdog as a body belonging to the Finance Ministry, like the Securities and Exchange Surveillance Commission, or as an extra-ministerial department, like the National Tax Administration Agency.

In each case, the appointment of top posts will be left to the discretion of the finance minister.

To increase the independence of a new financial industry watchdog, it is necessary to put the body under the Prime Ministers' Office, like the Fair Trade Commission, with the appointment of top posts by the prime minister, analysts said.

The Finance Ministry plans to work out a report by the end of March on the results of a review of its past financial policies, based on lessons learned from its handling of the housing loan fiasco and other issues.

It is now considering including the outline of its organizational reforms in the report, ministry sources said.

Japan: Advisory Panel Approves NTT Breakup Plan

OW2302130596 Tokyo KYODO in English 1144 GMT 23 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 23 KYODO — An advisory panel to the telecommunications minister at its general meeting Friday [23 February] gave approval in principle to a plan to split Nippon Telegraph and Telephone Corp. (NTT) into three smaller entities, officials familiar with the meeting said.

Two members of the Telecommuncations Council voiced opposition to the plan at the meeting, the officials said.

Drafted by the council's ad hoc subcommittee on NTT, the plan envisages dividing the domestic telecommunications giant into one long-distance telecom carrier and two regional carriers by fiscal 1998.

Meeting reporters after the general meeting, Sho Nasu, chairman of the council, said the two members' opposition will be referred to in a final report on the issue the council will submit to Posts and Telecommunications Minister Ichiro Hino after formal approval at the end of February.

While the government is due to draw its conclusion on the politically sensitive issue by the end of March, there is much speculation that the decision is likely to be delayed for a year or so in light of strong opposition within the ruling coalition to such a breakup.

Japan: Ruling Parties Lean Toward Shelving NTT Breakup Decision

OW2602000696 Tokyo NIHON KEIZAI SHIMBUN in Japanese 22 Feb 96 Morning Edition p 2

[FBIS Translated Text] With the Telecommunications Council's Special Panel on Nippon Telegraph and Telephone Corporation [NTT] drawing up its report suggesting breaking up NTT, the political circles will begin coordinating views. However, it is likely that there will be a growing demand within the ruling coalition parties for shelving a conclusion.

On 21 February, the Social Democratic Party's [SDP] Telecommunications Policy Special Committee firmed up its opposition to the NTT breakup. The question of reviewing NTT's operations was last taken up in 1990, and the Telecommunications Council made changes in its report due to the Liberal Democratic Party's [LDP] opposition.

During a 21 February executive meeting of the Japan Telecommunications Workers' Union [Zendentsu], NTT's labor union (chaired by Koji Kajimoto), LDP Secretary General Koichi Kato said: "In the LDP, it has become the minority view that NTT should simply be divided just as Japan Railway Corporations was." By saying this, he hinted his cautious attitude toward the plan of dividing NTT into regional bodies. At the same time, Yukio Hatoyama, secretary general of New Party Sakigake [Harbinger], said in a sharp tone: "The fact that this issue has been discussed for 10 years illuminates Japan's outdated attitude and bureaucrats' power." They made these statements out of consideration for the SDP, which has clearly opposed the NTT breakup plan, and for Zendentsu's block support.

In actuality, however, there are contending views over the division plan in the LDP. Therefore, Taku Yamasaki, chairman of the LDP Policy Research Council, said on 21 February: "(To shelve discussion for about one year) is one of the options." He thus implied a "compromise" in which the decision should be made after the next general election.

Hiromu Nonaka, chairman of the Advancement of Telecommunications and Broadcast Industries Subcommittee and an influential politician in the telecommunications sector, shared Yamasaki's view: "I think we had better spend another year discussing this matter."

The SDP holds that, "In view of the international trend toward unification of the telecommunications sector, the breakup plan should be scrapped by taking advantage of this opportunity." In its report issued on 21 February, the SDP explains the reason for its opposition, saying that "Splitting NTT will cause a rise in local call charges." At the same time, it maintains that "The best choice we have at the moment is to implement drastic deregulation."

North Korea

DPRK: U.S., ROK 'War Exercises' Against North Denounced

SK2402030396 Pyongyang KCNA in English 0256 GMT 24 Feb 96

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — The U.S. imperialists and the South Korean puppets have been zealously carrying out war exercises against the northern half of Korea, according to military sources.

On Feb. 21 and 22, the South Korean puppets posted huge lethal equipment, scores of military vehicles and several heavy tanks in Kanghwa and Paju Counties, Kyonggi Province, kicking up war atmosphere. They staged observation espionage and an airlifting exercise simulating an in-depth infiltration into the northern half of Korea in the sky above Inje County, South Korean Kangwon Province and Paju County.

On the 22nd, a group of heavy tanks of the puppet army ran urgently towards the foremost front from Paju County, firing guns to threaten the North.

Earlier, on Feb. 16, more than 30 carrier-based assault planes from an overseas base made incessant strikes at appointed targets in the sky above Asan bay and Sangdong area of South Korea, going off into war hysterics against the North.

On Feb. 17 and 20, about 130 planes from a carrier of the U.S. imperialists, conducted an aerial war exercise in the sky above Chik Islet and Kunwi area.

This illustrates that the U.S. imperialist warmaniacs and the South Korean puppets do not want detente and peace on the Korean peninsula and their aggressive design to stifle the North by force of arms remains unchanged.

DPRK: Kim Yong-sam Making 'Desperate Efforts' To Deal With Crisis

SK2402042496 Pyongyang KCNA in English 0412 GMT 24 Feb 96

["Last-ditch Efforts of Those in Waning Days" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — NODONG SINMUN today carries an article accusing the Kim Yong-sam group of making desperate efforts to emerge from the unprecedented ruling crisis.

The article says:

The traitor Kim Yong-sam is now crying for "setting the modern history straight" after putting Chon Tu-hwan and No Tae-u behind bars, enacting a May 18 special law and renaming the "ruling party".

Meanwhile, the puppets recently arrested en masse members of the South side headquarters of the National Alliance for the Country's Reunification (Pomminnyon) and have staged anti-North military exercises with outside forces almost every day, spreading a groundless rumor about "threat from the North".

The traitors, who are challenging history and going against the will and desire of the people, cannot attain their goal with such desperate efforts as deception, dictatorial rule and war gamble.

The traitorous politics pursued by Kim Yong-sam after taking power, and his involvement in the slush fund scandal have made the South Korean people clearly know that he is a special-class flunkeyist, "civilian"-veiled fascist dictator, a separatist and the chief thief who puts his predecessors to shame.

Impertinently, however, he is calling for "setting the modern history straight," while advertising "clean politics for the people." This is an insult to and mockery of the people.

His clumsy deception and tricks will further increase the public anger.

The war preparations the Kim Yong-sam group are going ahead with under the pretext of "threat from the North" will end in their doom.

No matter how desperately the Kim Yong-sam group may try to get out of the wood over the slush fund scandal, can they never find a way out.

They, who are interested only in amassing illegal wealth, with no philosophy and idea and no human conscience and sense of obligation, may continue resorting to shocking plots and harsh suppression and unhesitatingly unleash a war against the North in a bid to remain alive. But they will only precipitate their doom.

DPRK: 'Crafty Move' of Kim Yong-sam on 'Slush Fund Scandal' Assailed

SK2402111396 Pyongyang KCNA in English 1027 GMT 24 Feb 96

["Struggle Will Be Continued Until Kim Yong-sam Surrenders" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — Voices denouncing the crafty move of the Kim Yong-sam group to gloss over the slush fund scandal and the May 18 incident are growing louder in all parts of South Korea, a Seoul-based radio Voice of National Salvation said.

A Seoul-resident dissident figure, Sin Un-son, said that the wicked design of the authorities, who have delayed punishing the criminals after the institution of the May 18 Special Law, has been becoming clearer.

It is out of the bounds of possibility that Kim Yong-sam, who received black money from No Tae-u, has intention to punish No Tae-u and Chon Tu-hwan, he said, and noted:

The traitor Kim is intending to gloss over the slush fund scandal and the May 18 incident but it can never be realised.

The people have branded Kim Yong-sam as an accomplice in the slush fund scandal and the defender of the culprits of the May 18 incident, and are now biding their time to punish him.

Kim Yong-sam should confess his crimes at an early date and step down from power as demanded by the people.

Choe Chang-yong, a student at Chonnam University, said:

As the slush fund scandal was brought to light, the traitor Kim Yong-sam totally denied the fact at the outset. Later, however, he schemed to bridge over the incident by putting No Tae-u, doomed to death, behind bars, but in vain. Then he played such a snap drama as the institution of the May 18 Special Law in a bid to divert people's attention.

As it did not work on the people, he is now making use of the "general election" campaign to break through the political crisis caused by the slush fund scandal.

But, we students will not be deceived by the Kim Yong-sam's trick. We will continue the struggle until Kim Yong-sam surrenders.

Kim Tong-kun, a worker in Pusan, said:

The Kim Yong-sam group should immediately be punished for mocking the people.

If Kim Yong-sam's "regime" is left as it is now, the slush fund scandal and May 18 incident can not be settled completely.

It is high time to lift higher the voice calling for overthrowing the Kim Yong-sam "regime".

DPRK: ROK Reportedly Stages Anti-North Military Training 23 Feb

SK2602045496 Pyongyang KCNA in English 0417 GMT 26 Feb 96

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — The South Korean warmaniacs carried out a military training on Feb. 23, according to a radio report from Seoul.

In the training a large formation of planes belonging to the puppet air force flew to appointed points by middle altitude flights and made an intensive raid on targets.

The puppets said that through the training involving KF-16, F-16 and other main aircraft of the puppet air force, they demonstrated the "increased wartime operation capacity of combatants."

As they staged the anti-North training at a time when a nationwide solidarity movement was being conducted vigorously to make this a "year of peace and great national unity," they have drawn fire from all the fellow countrymen.

DPRK: South Koreans Reportedly Defect to North Via Third Country

SK2402031496 Pyongyang KCNA in English 0300 GMT 24 Feb 96

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — Chong Yon-kyo (66), a South Korean, came over to the northern half of Korea a few days ago via a third country together with his wife Yi Myong-sun (50).

After graduating from Pusan University, he engaged himself in an opposition party, a public organization and other fields in South Korea.

Referring to the motive of defection, he said that he felt the sorrow of disillusion at the subordinate and decayed political system of the South which was reduced to a U.S. colony and he has had a deep interest in the North which is under the genuine politics centering on people.

"My mind has been completely gripped by the benevolent politics and all-embracing politics administered by President Kim Il-song, the sun of the nation and a veteran statesman, and the great leader Kim Chong-il," he said.

"I have realised, though belatedly, that I can lead a genuine life worthy of man and live proudly for the people only when I live in the bosom of the great leader, praised and revered by the entire fellow countrymen," he noted.

DPRK: Reporter Notes 'Popular Sentiments' for Kim Chong-il Exist in ROK

SK2402084296 Pyongyang KCNA in English
0834 GMT 24 Feb 96

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — A journalist at the magazine SAE-HUIMANG of South Korea, Yu Sang-chin, released an article on popular sentiments under the title "Leader of Reunification Is in Pyongyang" on the occasion of the birthday of the great leader Comrade Kim Chong-il, a Seoul-based radio Voice of National Salvation said.

The article deals with part of popular sentiments covered by the journalist over 15 days.

The article says:

One day, when I drove a dummy taxi, I happened to see a handbook of songs dropped by a girl student. Most of the songs in the handbook were songs of the northern half of Korea, including "Shine the Chong-il Peak", "Korea Is One" and "Whistle".

Songs of the North, the songs praising General Kim Chong-il in particular have been explosively disseminated in university campus and the movement sphere of South Korea these days. "Meari", "Hansori" and other singing groups have been organized and active.

Popular sentiments of South Korea now trend toward praising General Kim Chong-il as the leader of people-loving politics and reading his works with avidity.

One day, I happened to see a placard bearing the letters "Feb. 16 is the national supreme holiday, all blessings and longevity—Kim Chong-il, the leader of reunification is in Pyongyang".

The article introduces popular sentiments reflected in the public opinion poll held by the reunification promotion society in mid December last year, under the subject "quality of a leader who would lead a unified country".

The poll among 1,000 people found that most of the respondents said the leader is characterized by the philosophy of independent politics, the leadership ability capable of attaining the unity of the nation in one mind, the benevolence of love for the people, the invincible hero and the commander who loves soldiers.

While driving the dummy taxi, I met people of various strata in South Korea and found out a common point that General Kim Chong-il remains as a mental pillar in their hearts.

Deep reverence and absolute worship for him and intense longing for the society of the North under his politics — these are the popular sentiments and the mental address of the people in the South at present when the Korean nation are significantly greeting the 54th birthday of the respected General Kim Chong-il.

DPRK: Soldiers Exhorted To Demand Removal of U.S. Nuclear Weapons From ROK

SK2502044096 Pyongyang Radio Pyongyang
in Korean to South Korea 0900 GMT 24 Feb 96

[Unattributed talk: "The Withdrawal of Nuclear Weapons From South Korea Is a Demand of the Times" from the "Hour for South Korean Armed Forces" program]

[FBIS Translated Text] Officers and men of the South Korean Armed Forces:

As you know, political parties and organizations in the Republic held a joint meeting in Pyongyang on 31 January to discuss measures to achieve peace and the great national unity on the Korean peninsula. Considering the current situation and the unanimous aspiration of our nation, the joint meeting proposed to make this year the year of peace and great national unity. The joint meeting's proposal is a reasonable, timely, as well as patriotic and nation-loving proposal that most accurately reflects the current situation and the unanimous national longing for the conciliation and unity of the nation, and peace and peaceful reunification of the country.

The security of our nation is inconceivable without peace; the reunification of our country cannot be expected without peace. Today in South Korea, the withdrawal of U.S. nuclear weapons and the denuclearization of the Korean peninsula has become an urgent demand of the times that can no longer be delayed. Our declaration that this year is the year of peace and great national unity concerns the fact that U.S. nuclear weapons still remain in South Korea and that the Kim Yong-sam traitor clique is wildly conducting large-scale nuclear war exercises for northward aggression under the pretext of the so-called threat of the North.

The great leader Comrade Kim Il-song taught: The U.S. imperialists are massively bringing in various nuclear weapons to South Korea and are frequently staging the commotion of nuclear war exercises in South Korea. Today, South Korea has become the most dangerous potential place for a nuclear war in the world. Clinging to its aggressive policy on the DPRK, the U.S. imperialists have deployed over 1,000 nuclear weapons to South Korea. Along with the puppets, they are ceaselessly conducting nuclear war exercises against our Republic, extremely aggravating the situation on the Korean peninsula.

Under the condition in which numerous nuclear weapons are deployed to South Korea and that the U.S.

imperialists and the puppets are conducting reckless nuclear war exercises, should a war erupt on the Korean peninsula, there would inevitably be a nuclear war. Should a nuclear war break up on the Korean peninsula, it would easily expand to an international scale. As a result, not only the Korean nation, but the entire mankind would face a nuclear calamity.

Presently, the U.S. nuclear weapons deployed to South Korea are the main factors destroying the peace of the Korean peninsula and the world, and threatens the security of our nation and mankind. Therefore, the people of Korea and the world strongly demand the withdrawal of U.S. nuclear weapons deployed to South Korea. Despite the unanimous demand of the Korean people and the world's peace-loving people, the U.S. imperialists are not withdrawing the nuclear weapons from South Korea.

Recently, the bellicose circles of the U.S. imperialists frequently talked about the so-called threat of the North. They have on their minds the nuclear weapons in South Korea. The people of the world clearly remember that in the past, the U.S. imperialists boasted about the threat of southward aggression when they massively brought nuclear weapons to South Korea. The bellicose circles of the U.S. imperialists attempt to leave the nuclear weapons in South Korea and cling to obsolete policy on the DPRK. This is an anachronistic fantasy.

At a time when the DPRK-U.S. agreement is being implemented, there is no pretext for the existence of U.S. nuclear weapons in South Korea. The withdrawal of the U.S. nuclear weapons from South Korea is a demand of the times. The U.S. imperialists should withdraw all nuclear weapons from South Korea without delay. The sooner the nuclear weapons are withdrawn from South Korea, the less the United States will have to lose.

Officers and men of the South Korean Armed Forces should pay due attention to the withdrawal of U.S. nuclear weapons from South Korea. The withdrawal of U.S. nuclear weapons from South Korea is a matter of safety for the nation and mankind, as well as a matter directly connected with your lives, officers and men. To save your own lives, officers and men of the South Korean Armed Forces should demand the withdrawal of U.S. nuclear weapons deployed to South Korea.

DPRK: Reports of Threats Against Kim Yong-sam Called 'Farce'

SK2602085796 Pyongyang KCNA in English 0847 GMT 26 Feb 96

["Farce of Those With Mental Derangement" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — The South Korean Radio No. 1 on February 23 quoted a source of the "special corps" of the Thai police as saying that the DPRK plans to assassinate the chief executive of South Korea during the Asian-European Summit Meeting slated in Bangkok early in March.

This was a report made according to a script of the puppet Agency for National Security Planning of South Korea. And it is a farce intended to rig up a shocking case in an attempt to conceal their heinous crimes in having slandered the supreme leadership of the DPRK and to shift some blame on to the DPRK.

Worse still, the South Korean puppets broadcast a false report that the DPRK has already dispatched "terrorists" to Thailand and that it plans to infiltrate more into the country. This shows that they are not only tricksters but also lunatics.

As the "Agency of National Security Planning" is experienced in framing up preposterous dramatic cases whenever it thinks them necessary, there is no one who will be surprised by any clumsy drama invented by it against the DPRK around Kim Yong-sam's Southeast Asian trip.

The fact that Kim Yong-sam is compelled to travel other nations after making the "Agency for National Security Planning" fabricate a trick is enough to show that he is driven into a very tight corner.

The South Korean authorities must act with discretion, clearly knowing that the more desperately they resort to dastardly and clumsy tricks in defiance of ridicules and protests at home and abroad, the earlier their self-destruction will come.

DPRK: Reporters Censure ROK for Not Implementing North-South Agreement

SK2302144596 Pyongyang Radio Pyongyang in Korean to South Korea 2240 GMT 18 Feb 96

[Dialogue between station reporters Hwang Yong and Kim Hye-sung: "What Does the Situation Following the Adoption of the North-South Agreement Show?"]

[FBIS Translated Text] [Kim Hye-sung] How are you?

[Hwang Yong] Fine, thank you. How are you?

[Kim] Fine. The great leader [widaehan suryong] Comrade Kim Il- song taught: The effectuation of both the North-South Agreement on Reconciliation, Nonaggression, Exchange, and Cooperation and the Joint Declaration on Denuclearizing the Korean Peninsula was an epochal event that serves as a milestone for achieving peace and the reunification of the country.

[Hwang] That is correct.

[Kim] Today is the fourth anniversary of the effectuation of the historical North-South agreement and the joint declaration on denuclearization, is it not?

[Wang] Yes, it is.

[Kim] The effectuation of both the North-South Agreement on Reconciliation, Nonaggression, Exchange, and Cooperation and the Joint Declaration on Denuclearizing the Korean Peninsula was an epochal event in achieving peace and the reunification of the country with national strength.

[Hwang] That is true. The adoption of the North-South agreement and the joint declaration on denuclearization opened the way to a new turning point for achieving North-South reconciliation by removing the wall of distrust and confrontation between us. It also made it possible to eliminate the danger of war and to foresee the bright prospects of peace as well as the peaceful reunification of the country. This is why all fellow countrymen in the North, South, and overseas supported and welcomed the effectuation of the North- South agreement and the joint declaration on denuclearization, regarding them as the line for a reunified Korea and as the line of reunification, and have desired their early implementation.

[Kim] That is right. Respecting the North-South agreement and the joint declaration on denuclearization as a valuable common achievement of the nation, we have made every possible effort to sincerely implement them in accordance with the nation's expectations and demands, have we not?

[Hwang] Yes, we have.

[Kim] In a series of North-South dialogues held following the effectuation of the agreements, we repeatedly made concessions and showed generosity in discussing their implementation while firmly adhering to national independence, thus signing supplementary agreements and forming North-South joint committees to implement them. This is well known to the world, is it not?

[Hwang] Yes, it is.

[Kim] However, despite our invariable efforts, the North-South dialogue is now frozen, the implementation of the agreements has been suspended, and the situation has been driven back to the phase of keen confrontation that prevailed before the effectuation of the agreements. This is entirely because the South Korean puppets have constantly conducted various war exercises with outside forces, infringing upon the basic spirit of the North-South agreement and the joint declaration of denuclearization, spurring a confrontation with us and aggravating tensions.

[Hwang] I think so. Recalling the past, the maneuvers by the South Korean puppets to [word indistinct] is not new. This attempt was already shown when they opposed the adoption of supplementary agreements for implementing the basic agreements and insisted on [word indistinct] desiring division in a series of North-South dialogues held immediately after the agreements were effectuated. As you know, in order to achieve North-South reconciliation and unity in conformity with the spirit of the North-South agreement, it is necessary to abolish the anti-reunification and evil laws of South Korea, such as the National Security Law that regards the North as the enemy, is it not?

[Kim] Definitely.

[Hwang] However, the South Korean puppets have openly stated that they cannot abolish them and still pursue their own advantages. They have suppressed the patriotic forces by provoking this evil law. They even fabricated the incident involving the Workers Party of Korea in South Korea so as to egg on a confrontation by raising an outcry against us, and have madly suppressed the people.

[Kim] In addition, when the dialogue for implementing the agreements was at its peak, they deterred the smooth progress of the dialogue by waging various reckless war exercises against us in collusion with outside forces. The plan for exchanging parent-visiting groups and artists delegations between North and South Korea, which had been proposed by our side, ruptured simply because of the insincere attitude of the South Korean rulers toward dialogue and their criminal war exercises for a northward invasion.

The facts show that although they signed and effected the agreements with us, being pressured by our just demands and by public opinion at home and abroad, the South Korean puppets did not welcome the agreements and have invariably made efforts to deter and disrupt their implementation.

[Hwang] That is correct. The Kim Yong-sam ring's maneuvers for war and confrontation have reached an extreme level, have they not?

[Kim] Yes they have.

[Hwang] The South Korean puppets, who have blocked North-South dialogue and have greatly spurred a North-South confrontation, are even more frantically engaged in maneuvers of war and confrontation in a bid to calm down the massive struggle of the South Korean people, which began on the occasion of the revelation of the secret fund scandal and the resumption of the handling the 18 May incident, and to overcome their power crisis which has entered its worst phase. At the same time, they are constantly staging various war exercises against us in collusion with outside forces, are not they?

[Kim] Yes, they are.

[Hwang] Instead of accepting responsibility for breaking the agreement with their fellow countrymen to achieve peace and reunification of the country with the nation's own strength, the South Korean puppets are trying to harm their fellow countrymen in collusion with outside forces. This is an intolerable, antinational, and criminal act that runs counter to peace.

[Kim] That is right. The situation following the effectuation of the North-South agreements shows that as long as there exists such traitorous groups as the South Korean puppets, who are hostile to their fellow countrymen and who are trying to achieve their insidious aims by relying on outside forces, then it is impossible to link a North-South agreement, no matter how good it is, to the independent reunification of the nation. It also provides the serious lesson that in order to achieve the country's reunification, the Korean people should firmly unite themselves under the banner of national independence, should put an end to interference in the nation's domestic affairs by outside forces, and should thoroughly eliminate those traitorous groups that try to harm their fellow countrymen in cooperation with outside forces.

[Hwang] That is right. It is our people's steadfast will to achieve peace and the peaceful reunification of the country through the nation's own strength and efforts. This is shown by the fact that all fellow countrymen in the North, South, and overseas are vigorously carrying out the reunification movement while upholding the DPRK's joint meeting proposal to glorify this year as the year of great national unity.

The Kim Yong-sam ring of South Korea should look straight at the reality, stop the maneuvers of war and confrontation against us, and sincerely implement the North-South agreement and the joint declaration on denuclearization.

[Kim] If the Kim Yong-sam ring continues to infringe upon the North-South agreement and pursues war and confrontation, it cannot avoid the nation's stern punishment.

[Hwang] That is correct.

[Kim] Let us conclude today's discussion.

DPRK: Commentator Reviews Japan's Korea Policy

SK2602083796 Pyongyang KCNA in English 0832 GMT 26 Feb 96

["NODONG SINMUN on Japan's Korea Policy" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — NODONG SINMUN today carries a commentator's article headlined "On Japan's Korea Policy".

The article reads in full:

Half a century has elapsed since the end of the Second World War and several years have passed since the end of the Cold War.

In the period there have been constant changes in alignment on the international arena. Long-drawn-out problems were settled between some countries. Some which had been antagonistic to one another in the past began improving their relations, taking the road of reconciliation. And a series of problems have been solved to satisfy the desire and demand of the times and peoples.

It is regrettable that hatred between Korea and Japan still remains unresolved for a century and that the question of liquidating the past, which is essential for the improvement of relations between the DPRK and Japan, remains unsettled, though it is more than half a century since Japan's defeat in the war.

Of course, the 1990s has witnessed noteworthy events. The Workers' Party of Korea and two political parties of Japan adopted and made public a historic joint declaration for the improvement of the relations between the DPRK and Japan and talks between the governments of the two countries were held on 8 occasions in accordance with it. Last year there were a series of positive movements, including the publication of the agreement of four political parties on the resumption of negotiations between the DPRK and Japan.

What is the basic reason why the DPRK-Japan relations have not yet been improved up to this date?

The postwar Korea policy of Japan has been consistent with and characteristic of hostility toward the DPRK and friendship with South Korea.

Japan invaded Korea by force of arms, enforced ruthless fascist suppressive rule, occupying the latter for nearly half a century and made a blood-stained, disgraceful history in its relations with Korea. Therefore, Japan should have made an apology and compensation to Korea after its defeat in the war. And it should not have engaged itself in the anti-DPRK campaign at least in token of its repentance for the past wrongdoings.

Ever since its defeat, however, Japan with extreme hatred for the DPRK has constantly pursued a policy hostile towards the DPRK and a policy inclined to South Korea, the final purpose of which is to isolate and stifle the DPRK.

In the last Korean war the Japanese reactionary ruling quarters left the whole of the Japanese land to the mercy of the U.S. imperialist aggressor army, lock, stock and barrel, as a base for sortie, logistics and repair. And they sent a large number of military personnel to the Korean front, so that they zealously killed Korean people and destroyed factories, rural villages, schools, and dwelling houses in the war of aggression provoked by the United States in an attempt to stifle the DPRK in its cradle.

Japan is directly responsible for the division of Korea, which has caused national misfortunes and sufferings to the Korean people, who lived in one territory as a homogeneous nation for five thousand years.

Japan, forgetful of its responsibility, has pursued a policy against the reunification of Korea ever since Korea was liberated from its colonial rule.

Japan settled pan-Korean issues unilaterally with South Korea, without taking the DPRK into account. Each time the DPRK raised most reasonable, fair proposals for reunification and peace in Korea, Japan took the lead in a smear campaign against them.

We have never thought Japan would approach the DPRK with good will, nor have we pinned any hope on it.

Judging from the sinister ties of politicians and economic tieup between Japan and South Korea, except the historically hostile relations between the DPRK and Japan, it is not surprising that Japan has sought a policy hostile towards the DPRK while pursuing a policy entirely inclined to South Korea.

In commenting on Japan's Korea policy, however, we have to refer to the diplomatic position and attitude taken by Japan in the relations with the DPRK. Because in many cases Japan's policy hostile towards the DPRK has depended on this position and attitude.

In its relations with the DPRK, Japan has so far danced to the tune of others without its independent principle and forgetful of its own interests. The bold steps taken and efforts made by the far-sighted politicians of Japan to improve relations with the DPRK have yielded no fruit because of this political position of the successive rulers of Japan.

A joint declaration was adopted by three parties of the two countries and intergovernmental talks opened for normalisation of diplomatic relations. However, in face of pressure from the U.S. and complaints from the South Korean puppets, the rulers of Japan raised the settlement of the "nuclear issue" as a "precondition" for the normalisation of DPRK-Japan relations and brought the hard-won talks to a rupture.

There were discussions between the DPRK and the United States over the "nuclear issue" in recent years during which Japan exposed itself to public ridicule. When others cried for "sanctions" against the DPRK, Japan echoed the cry, and when they called for "cooperation system" against the DPRK, it vowed to join it. And when there were signs of progress at the talks between the DPRK and the U.S., Japan spread a rumour harmful to the talks, wondering if the talks would bear fruit, and made incoherent remarks concerning the relations between the DPRK and Japan. When the South Korean puppets insisted that the "inter-Korean talks" should be kept ahead of the DPRK-Japan negotiations, Japan echoed their insistence. When the puppets argued that the DPRK-Japan negotiations should be held after discussions with South Korea, Japan chimed in.

Japan has behaved shamelessly. Although Japan boasts of being an economic power and wants to become a political power, it is not in a position to refute any complaint from the South Korean puppets.

As regards this diplomatic attitude and position of Japan, people call Japan a "political dwarf." However, Japan can hardly deny it.

Although the Japanese Government has pursued a hostile policy toward the DPRK while making a humiliating alignment with the South Korean puppets for more than 50 years, Japan has got nothing from it.

Worse still, Japan has lost its own interests in return for its services for the U.S. and the South Korean puppets. No one can deny that Japan acted against the self-confidence of the Japanese people as well as their desire and demands.

Japan should learn a due lesson from its past Korea policy and behave properly before it is too late.

No doubt, the shameful aspect of Japan's Korea policy is attributable to the wrong conception of the essence of the DPRK- Japan relations, a poor understanding about the DPRK and political mistake of the rulers who fail to consider the improvement of the DPRK-Japan relations to be directly linked to the national interests of Japan.

From the historical and legal point of view, the DPRK-Japan relations can not be considered to be merely "abnormal".

Normalisation of DPRK-Japan relations is, in essence, liquidation of Japan's past wrongdoings and establishment of peaceful, good- neighbourly relations between the two countries. This issue must be solved without fail for peace and security in Northeast Asia.

If Japan continues to refuse to atone for the past wrongdoings, branding the DPRK, not far from it geographically, as the first "potential enemy state" and maintains the hostile relations with the DPRK by pursuing a hostile policy towards the DPRK and a policy entirely inclined to South Korea, can it be considered to guarantee the security of Japan and conform with the national interests of Japan?

It is self-evident that in case Japan persistently pursues a hostile policy towards the DPRK and a policy of alignment with South Korea, meddles in the internal affairs of Korea and continues encouraging the South Korean puppets to confrontation with the DPRK, we cannot remain an onlooker to it; it is the exercise of our inviolable right to adopt necessary measures for the defence of our sovereignty and dignity. From time immemorial the Korean people have answered sword with sword, virtue with virtue.

If Japan adds fuel to the tensions on the Korean peninsula, siding with the South Korean puppets while pursuing a hostile policy towards the DPRK, an acute situation will be created. Then things will not go as Japan wishes, though it benefited from the last Korean war.

Those with reason understand how much the improvement of DPRK- Japan relations is needed for Japan.

If Japan is truly willing to liquidate the past and establish good-neighbourly relations with the DPRK, it must remember that the DPRK is quite different from the South Korean puppet regime, which was set up by pro-American, pro-Japanese lackeys and is maintained by their descendants.

Our Republic is rooted in the anti-Japanese war. It has fought and advanced with the revolutionary traditions established in the period as its foundation of eternal value. The red flag which was flying high on Mt. Paektu then is still flying high in our van; anti-Japanese heroes and heroines, the forerunners of the revolution, stand in the van of our revolutionary ranks; their descendants, the second, third and fourth generations of the revolution, uphold the DPRK.

The Korean people consider independence as their lifeblood and the supreme national interests and, accordingly, firmly maintain it in the external relations.

They cherish the nation's dignity and honor and will never abandon them as well as their glorious revolutionary traditions under any circumstances.

Japan must remember this in shaping its policy toward Korea. It must also remember that when it dances to the tune of others, its own interests will be harmed and its external image be impaired.

If Japan plans to stick to its past policy of hostility toward the DPRK and alignment with South Korea and to improve its relations with the DPRK after getting "permission" from the South Korean puppets, who are doggedly opposed to the DPRK, the relations between the DPRK and Japan will never be improved and Japan will have to pay so much dearly for it.

We pay attention to "self-determined, independent diplomacy" advocated by the new government of Japan.

How Japan reacts to the changed situation in and around the Korean peninsula and the DPRK's fair and principled position toward DPRK-Japan relations will be a touchstone to judge the future Korea policy of Japan.

DPRK: Kim Chong-il Hailed as Home, Motherland, Future of Korean People

SK2602044296 Pyongyang KCNA in English 0414 GMT 26 Feb 96

["Home of Korean People" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — NODONG SINMUN February 25 carried a signed article titled "Home of the Korean People", which read in part: The respected General Kim Chong-il means the home, motherland and future of the Korean people.

His birthplace is Mt. Paektu.

The great leader Comrade Kim Il-song said:

"Mt. Paektu belongs not only to Kim Il-song but also to Kim Chong-il."

General Kim Chong-il grew up among sons and daughters of people who rose up with arms in their hands.

That is why Comrade Kim Il-song gave him a pistol as a gift, not a wrist watch, when he was eleven years old.

Kim Chong-il is the lodestar of Mt. Paektu, who was born to provide the Kim Il-song nation with all blessings.

His politics is consistent with love for and trust in people.

The Korean people have keenly felt it every moment in their life.

The flood which hit the Sinuiju area in the summer of last year was an unprecedented natural disaster. On an islet village, an old man surnamed Choe aged 70, together with his son and daughter-in- law, constantly looked up to the sky from which heavy rains were falling, holding his little grandson in his arms.

"We believe in General Kim Chong-il as in the sun, so we look up to the sky", he said.

Even when the water was chest-deep, he continued to look up to the sky without moving. At that time, a miracle took place; a helicopter was seen coming in the sky.

"The great general sent us soldiers to you. He told us that not a man should be allowed to die from the flood. Get on, please," said those from the helicopter.

All islet villagers burst into tears.

As seen above, the Korean people trust and follow Kim Chong-il as the sun.

The general and the people are united in one mind.

The ideological and military offensive and economic pressure of the enemies against the Korean people are as foolish as trying to turn an organism relying on sunlight and oxygen into one depending on darkness and carbonic acid gas.

Kim Chong-il is the benefactor and guardian who defends the people and socialism with love, philosophy and arms.

His immortal famous work "Socialism Is a Science" led the world to be confident in socialism and its victory and to see the iron will of the general to carry forward to completion the revolutionary cause of Comrade Kim Il-song.

Kim Chong-il is the sunshine of socialism.

Humankind are struck with admiration at his treatises such as "Our Socialism Centred on the Masses Shall Not Perish", "Giving Priority to Ideological Work Is Essential for Accomplishing Socialism" and "Respecting the forerunners of the Revolution Is a Noble Moral Obligation of Revolutionaries," in that they light the path of socialism.

Humankind praise Comrade Kim Chong-il as the supreme commander of socialism and the great sun who will lead the world.

DPRK: Kim Chong-il Devotes Life to Best Interests of People

*SK2402104796 Pyongyang KCNA in English
1033 GMT 24 Feb 96*

["People's Interests First" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — "We serve the people!" This slogan was set forth by the great leader Comrade Kim Chong-il. It reflects his steadfast will and faith. He makes it an iron rule to give the best to people, not minding money for the sake of people and making no scruple to do a losing business.

The maxim of Comrade Kim Chong-il is to conduct activities, keeping the interests of the people above all else. He does not accept anything contrary to the interests of the people. Stories about his personality touch a string in the hearts of the people.

It was at the time when there raised the matter of building a large factory which is of great importance for the state. The upper reaches of the River Songchon in Hamhung, a city of industry, was chosen as the most reasonable plot. It was fit for material supply, transport and other conditions. Acquainting himself with this, Comrade Kim Chong-il said that he himself knew that the place is good but if a factory is built there, it would give inconvenience to citizens who are using the water of the river. He told officials that the building lot should be moved to other place. In this case, the state could suffer an economically heavy loss. The factory, however, was built in other place as intended by Comrade Kim Chong- il.

It was at another time when officials presented him with daily reports about happenings across the country. They collected the materials which are seen to be important and, finally, the matter of daily necessities which is considered to be a matter of secondary importance. He said in a serious tone of voice that the matters related to the people's life and their interest, big or small, should be referred before anything else and that nothing is more important than the matters related to the people's life.

His first norm of concluding and ratifying everything was the people's life and their interests.

Comrade Kim Chong-il is devoting his all to providing the people with a more affluent and happier life, taking a "train for people".

DPRK Daily Exhorts People To Face Any Ordeal for Country's Future

SK2402043596 Pyongyang KCNA in English 0400 GMT 24 Feb 96

["NODONG SINMUN Calls For Striving for Greater Victory in Future" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — NODONG SINMUN today calls for fully demonstrating the spirit of socialist Korea, united around the great leader Comrade Kim Chong-il in one mind.

What is important to this end is to strive with confidence and optimism not only for victory today but for greater victory tomorrow, says the paper in an editorial titled "Let Us Strive With Confidence and Optimism for Greater Victory in the Future."

The paper quotes Comrade Kim Chong-il as saying:

"'Live not for today but for tomorrow' — this is my viewpoint on life."

The paper says:

This celebrated proposition of the respected General Kim Chong-il serves as the guideline of the struggle and life. It shows what viewpoint on life the communists and the revolutionary people should have in the revolution.

Reflected in his remarks are his unshakable resolution and will to devote his all to the future of our country and the happiness of posterity, overcoming any difficulties and trials with confidence in sure victory.

All our officials, party members and working people must equip themselves fully with his revolutionary viewpoint on life and prepare themselves to be true revolutionaries striving not for today but for the future.

Even if we cannot taste greater pleasure in our lifetime but should do a lot of things in difficult conditions, we must devote all our wisdom and energy to posterity who will enjoy greater happiness. We must deem it a great pride.

We must willingly face any ordeals for the future of the country and the happiness of posterity and fully display an indomitable self-sacrificing spirit to live a worthwhile life and do proud things for posterity.

DPRK: Daily Expounds on Need for 'Monolithic Ideological System'

SK2502070596 Pyongyang KCNA in English 0653 GMT 25 Feb 96

["Monolithic Ideology Is Essential for Building Leader's Party" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 25 (KCNA) — The great leader Comrade Kim Chong-il, basing himself on a scientific analysis of the demand governing the building of a working-class party and the practical experience gained in the building of the Workers' Party of Korea (WPK), made clear for the first time of history that establishing the monolithic ideological system is vital to building the party as the leader's.

The paper quotes Comrade Kim Chong-il as saying:

"Establishing a monolithic ideological system is essential for building the party as the leader's party."

In a by-lined article NODONG SINMUN today says that establishing a monolithic ideological system is an undertaking for arming the whole party with the ideas of the leader and fully ensuring his undivided leadership in the whole party.

The paper further says:

If a working-class party is to be built as the leader's party, it is necessary to give top priority to the task for equipping the whole party with the ideas of the leader and, to this end, there is no other choice but to establish a monolithic ideological system in the party.

A monolithic ideological system makes it possible to arm the party members fully with the ideas of the leader and have the whole party united around the leader in one thought and one purpose, on the basis of the leader's ideas and a strong sense of morality and obligation.

If any idea incompatible with the leader's ideas is allowed to infiltrate into a party, it will be impossible for the party to keep its traditions pure, prevent its disorganization and continue the existence of the leader's party.

In order to build a working-class party as the leader's it is imperative to fully ensure sameness of ideology as well as oneness of leadership.

A party which fails to be built as an organizational integrated whole under the leader's unitary leadership can neither implement the leader's ideas and ensure his leadership nor always remain united with him in the centre of the leadership.

Establishing a unitary leadership system in the whole party is just an undertaking for building the leader's party. It will be possible only through the work of establishing a monolithic ideological system.

Only when great efforts are made to establish a monolithic ideological system, is it possible to achieve the most solid organizational unity around the leader, carry on all the party work and activities as intended by the leader and bring the leader's line and policies home down to the lowest units and implement them to the letter.

A party based on a monolithic ideological system never allows democracy without principle. Giving play to democracy without its proper combination with unitary leadership has nothing to do with the efforts for establishing a monolithic ideological system. Holding undivided sway in the party with a monolithic ideological system are a working system and order based on centralism by which all the party organizations and members are obliged to implement the leader's line and policies and all the party members act as one on the instructions of the party centre.

This is why establishing a monolithic ideological system is the correctest way of building an invincible party of the leader.

With the principles of establishing the party's monolithic ideological system clarified by Comrade Kim Chong-il and efforts for this purpose being made throughout the party, a revolutionary turn has been effected in the efforts for developing the WPK to be the party of the great leader Comrade Kim Il-song.

DPRK Commentator Endorses Proposal for New Peace Mechanism

SK2402032696 Pyongyang Korean Central Broadcasting Network in Korean 1222 GMT 23 Feb 96

[Commentary by Kim Ho-sam: "A Generous Proposal That Comprises the Lofty Desire for Reunification"]

[FBIS Translated Text] On 22 February, a spokesman of the DPRK Foreign Ministry issued a press statement in connection with the second anniversary of our Republic Government's proposal to establish a new peace mechanism. With the lofty desire to prevent another war on the Korean peninsula and achieve lasting and solid peace on this land, the statement offers an expanded proposal for the establishment of a new peace mechanism.

The proposal presents a new tentative agreement between the DPRK and the United States with a view to deterring the armed conflict and war on the Korean peninsula and peacefully maintaining the armistice situation. The tentative agreement, which would replace the Armistice Agreement until a complete peace agreement is concluded, proposes to discuss and handle the management of the Military Demarcation Line [MDL] and the DMZ; ways to resolve armed conflicts and accidents; the establishment, duty, and authority of a joint military body; the amendment and supplementing of the tentative agreement; and other matters for the maintenance of security.

The proposal also suggests that the DPRK and the United States organize and operate a new joint military body in Panmunjom replacing the old Military Armistice Commission, to supervise the implementation of the tentative agreement. The proposal suggests that negotiations be held at a concerned level to discuss adopting the agreement and establishing the DPRK-U.S. joint military body.

The tentative agreement proposal takes a serious view of today's reality of the MDL and the DMZ, which is being driven to the brink of war. The proposal is an expression of the lofty desire, as well as generous and earnest efforts to relax the ultra-tense situation and achieve truly solid and lasting peace on the Korean peninsula.

As indicated by the Foreign Ministry spokesman's press statement, the Korean peninsula faces a very dangerous military situation. The United States has massively deployed state-of-the-art missiles, B-1 strategic bombers, and other latest weapons and operational equipment to South Korea, and is conducting war exercises to gain supremacy over our Republic in the sky, on the land, and on the seas near the MDL without a day's exception. One of the examples is that, in January, the United States mobilized various strategic, tactical, and reconnaissance planes and conducted more than 200 aerial reconnaissance flights.

In particular, the United States recently did not hesitate to conduct a long-range bombing exercise of ultra-large planes loaded with nuclear weapons, which took off from the U.S. mainland, crossed the Pacific Ocean, and conducted exercises near the east coast areas of our country. In addition, 90-mm recoilless guns, and various military vehicles and ammunition are being brought to the southern areas of the DMZ along the MDL.

Under the pretext of some groundless threat of the North, the United States is also tenaciously trying to build up international triangular military alliance between the United States, Japan, and South Korea with an aim to beset, restrain, and crush us. Such an anti-Republic crushing policy of the United States is turning the Korean peninsula into the hottest spot in the world. On this hot spot, any accident may turn into a fuse that would easily lead to an all-out war between the DPRK and the United States, which are in hostility [kyojon kwangye].

It is not accidental that the U.S. newspaper INTERNATIONAL HERALD TRIBUNE, commenting on the situation, wrote that military exercises in South Korea aggravate tensions in Asia. In fact, under such a strained situation, a war has not flared up on the Korean peninsula because of our tolerant efforts, generosity, and peace-loving policy. Leaving such an abnormal situation as it is, a war would eventually break up, and as a chain reaction, the Asia and the entire world would obviously face the calamity of nuclear war.

However, there is no mechanism on the Korean peninsula to prevent such a disaster. The old armistice system that was established 43 years ago was in effect a unilateral measure of the United States, and it is not functioning at all. Even the Military Armistice Commission, the sole supervisory organization for the Armistice Agreement, is completely paralyzed. If the present vacuum is not filled, the situation will worsen.

This being the situation, our Republic proposed to prepare at least the minimum mechanism required to deter armed conflict and war in the transitional period before a peace agreement is signed between us and the United States, considering the current status of DPRK-U.S. relations. Once the tentative agreement is signed, the DMZ will be managed through mutual discussions, and any armed conflict in the MDL and DMZ, as well as the risk of war, will be prevented. This will project a bright future for the signing of a DPRK-U.S. peace agreement.

When a joint military body comprising a certain size of military personnel of the DPRK and the United States is formed at Panmunjom, the DPRK and the United States, which have yet to establish diplomatic relations, will be able to discuss various pending military issues at any time. The proposal is indeed another expression of goodwill by our Republic. At a time when the DPRK- U.S. agreed framework is being implemented, the signing of a tentative agreement between the DPRK and the United States will bring about development in military issues, open a new breakthrough to build trust between us and the United States, and play a positive effect on the overall situation in the Asia-Pacific region.

If the United States is truly interested in the resolution of the Korean issues and peace and security of Asia, it should show a positive response to our new peace proposal. We will watch the U.S. attitude.

DPRK: Imperialism Denounced as 'Enemy of Mankind'

SK2602100196 Pyongyang NODONG SINMUN in Korean 7 Feb 96 p 6

[Article by Choe Song-kuk: "Vigilance Should Be Heightened Against the Imperialists' Camouflage"]

[FBIS Translated Text] The great leader Comrade Kim Il-song has taught: "Although the imperialists employ various forms of camouflage, they are nothing but a crafty trick designed to cloud the reason of the world's people and to realize the imperialists' aggressive and plundering aim."

Today, clamoring about "peace" and "cooperation" more noisily than ever before, the imperialists are casting an amorous glance at the world's people and are creating a wind of allurements while claiming to be "humanitarians."

Looking at this, we are suddenly reminded of the following fable. In the animal world, a wolf in sheep's clothing, after sneaking into a sheep's happy "house," tries to seek co-existence with the sheep while pretending to do good. However, the wolf inwardly attempts to slaughter the sheep at any cost. But, the sheep's "housewife" wants to live together with the wolf, believing that the wolf's true intention has been changed. Because of this, the sheep's "house" was about to face a big misfortune.

This implies many things even though it is a fable. In other words, this fable tells us that those born with a bad disposition can never change their bad disposition, that they employ all possible crafty tricks in order to conceal their bad disposition and to realize their true intention, that if we do not realize this and are deceived by their camouflage tactics, we will have irreparable sufferings, and that, therefore, we should not have the slightest degree of delusion of wicked fellows like wolf, but should have high vigilance against them.

Imperialism is the common enemy of mankind, which can be compared only to wolf. The aggressive nature of imperialism never changes, and the imperialists never do mankind good. If there is imperialism which does mankind good, it is no longer imperialism.

Now, there are some people who are moved by the imperialists' honeyed words. It is a well-known fact that the imperialists are employing various forms of camouflage in a bid to realize their wild ambition for aggression. Of course, these crafty tricks of the imperialists are not something new. Even during the Cold War era, the imperialists employed the double-dealing tactics of wielding a club on one hand and of showing a carrot on the other hand. During the Cold War era, the imperialists' "club policy" was the pillar in their foreign strategy for aggression while their "carrot policy" was only a supplementary link in their foreign strategy.

However, today, when many changes, including the trend of the multipolar system, are taking place in international relations in the wake of the collapse of the bipolar system and the subsequent termination of the Cold War, the imperialists are more cunningly acting by tenaciously spreading public opinion in a bid to cover up their true colors as aggressors. The imperialists are not only attempting to create the delusion of imperialism among the world's people by employing various cunning forms of camouflage, but are also trying to stretch out their evil hands everywhere in the world in a bid to realize their insidious aim of aggression.

The imperialists' art of camouflage has become more cunning than in the Cold War era. In other words, the imperialists are still attaching greater significance to their camouflage today when the might of the anti-imperialist independent forces of the world has been extraordinarily strengthened while their strength has been greatly weakened, and when the world is unanimously opposing and rejecting the imperialists' high-handed politics which runs counter to the development of international relations based on the principle of international justice and fairness.

Reality demands that the world's people heighten their vigilance against the imperialists' cunning art of camouflage.

Today, one of the noteworthy camouflage tactics of the imperialists is that they pretend not to pursue any invasive objective, talking about respecting the "sovereignty" and "interests" of all countries, and about seeking after "co-existence" and "common development." This is a crafty tactic to make people abandon the traditional bad image of and vigilance against imperialism, and bear fantasy about them, so that they can freely maneuver to invade and interfere.

It is a sophism of the imperialists that they do not have the intention to invade or rule other countries and nations but "respect" their sovereignty and interests. If they truly respect the sovereignty and interests of other countries, why do they furiously attempt to invade sovereign countries with force and arbitrarily interfere in internal affairs? The entire history of imperialism is a bloody history of aggression, dominance, exploitation, and plunder. The imperialists' invasive nature and policy will not change but will grow more evil. They are making last-ditch efforts to escape the chronic crisis and accelerated degeneration, and to maintain and expand their power.

The imperialists do not mean what they say about "respecting sovereignty," "co-existence," and "common prosperity." Behind the scenes lies their black scheme to place other countries under their influence, colonize the countries, and use the countries as the sacrifice for the imperialist plundering and prosperity.

Wearing powder and singing like a crane does not make a crow a crane. The imperialists cover their ugly bodies with silk robes and try to smell like perfume, but no one with a sound mind and reason will be deceived or tempted.

The imperialists use every opportunity to repeat the word "peace" like monks repeat a prayer to Buddha. This is another camouflage tactic of theirs. They call themselves "pacifists" and "guardians of peace" who want "peace" and "safety" and who "endeavors" to accomplish peace and safety. However, their song about "peace" is not true. They are devising an excuse for their aggression, war maneuver, and armed interference, wearing a mask of "peace" and "detente." Numerous armed conflict and war recorded in modern and contemporary history are unexceptionally connected with the imperialists' invasion policy. Imperialism is the root of instability and war, destroyer and disturber of peace, and the most vicious enemy of peace.

Facts prove this.

In order to ensure the peace and security of the world, the root that threatens peace and security should be eliminated. However, the imperialists have never eliminated the root. They declared the end of the Cold War and talked about "peace" and "security," but they have invariably pursued the policy of force, maintained military bases and armed forces of aggression in various places of the world, and have continued war exercises. Furthermore, instead of disbanding military blocs, they are trying to expand the blocs. In particular, they have reinforced military equipment behind the curtain of "arms reduction," developed and deployed new nuclear weapons, accelerated the modernization and development of the armed forces of aggression, further strengthened military operation abilities, and openly committed armed interference and war actions to accomplish their invasive local strategy.

The imperialists can never become pacifists. This is proven by their reckless military acts committed on the Korean peninsula.

Their continuous arms buildup and war exercises in South Korea and the neighboring areas, and their maneuvers to strengthen the U.S.-Japan-South Korea triangular military alliance can never be compatible with peace. Furthermore, the United States has turned its back on our proposal for a new peace mechanism, and other proposals and efforts to ensure solid peace on the Korean peninsula, which is directly linked with the safeguard of world peace. The imperialists are attempting to exercise armed force in a group against us and provoke a second Korean war.

It is very shameless and mean of the imperialists to call themselves "the disciples of peace."

The imperialists' song about "peace" only preaches aggression and war.

The imperialists pretend to sincerely help others and noisily advertise about "aid" and "cooperation."

However, contrary to what they say, today's stern reality in the international arena tells us that the imperialists never tolerate or benefit others. Their talking about "tolerance," "generosity," and "goodwill" is actually forcing other countries to follow the imperialists' policies, a disguised pressure maneuver. They talk about "tolerance," "generosity," and "benevolence," but when a country displeases them, they will impose political, economic, diplomatic, and military pressure on the country and implement hard- line policies.

"Aid" and "cooperation" advocated by the imperialists is to solidify their power and strengthen plundering. Actually, they give "aid" to those countries that listen to them, and suspend the already agreed-upon aid for those who do not listen. How hateful are the conditions they add to the "aid" and "cooperation?" The conditions have driven many countries to political subjugation, economic stagnation and chaos, and poverty.

In short, the imperialists' so-called "aid" and "cooperation" is a scheme to create a fantasy about capitalism among the people, paralyze their anti-imperialist sense, and, wearing a mask of "friend," penetrate deep into the political, economic, ideological, cultural, and military circles of other countries, particularly developing countries, so as to establish their control over the countries and strengthen the plundering. In other words, this is a tactic to pat one on the back and pull out his liver.

No matter how craftily the imperialists design their camouflage, they cannot conceal their dark intention and nature.

Today, the imperialists are using all sorts of camouflage to confuse people's reason and realize their invasive and dominant objectives. This being the situation, we have to heighten our vigilance. It is particularly important not to regard the imperialists' crafty tactics as a change of their nature.

The people of the world should thoroughly stand guard against the camouflage tactics of the imperialists, and should firmly adhere to the anti-imperialist position.

South Korea

ROK: Remarks of DCI on Possible DPRK Collapse Analyzed

SK2502143596 Seoul MUNHWA ILBO in Korean 24 Feb 96 p 5

[Article by reporter Kim Sung-hyon: "The Meaning of the CIA Director's Remarks About North Korea's Collapse"]

[FBIS Translated Text] Director of Central Intelligence [DCI] John Deutsch has become the first high-ranking U.S. official to officially acknowledge that North Korea may collapse. He made this statement at a Senate hearing on 22 February, Washington time.

It is noteworthy that Deutsch made it clear he believes the Kim Chong-il regime lacks the ability to overcome the current situation in North Korean.

This view completely differs from that of the State Department. Abnormal events, such as the shooting incident in downtown Pyongyang involving a junior sergeant of the Public Security Ministry, have taken place in North Korea one after another. Nevertheless, the State Department considers these to be mere happenings, saying "the North Korean regime itself is stable."

Director Deutsch mentioned not only the economic problems but the political situation. He said the political situation is worsening to a very serious extent, hinting that Kim Chong-il's succession to power has not been going smoothly. He added that "North Korea has no ability to reverse" the ever-worsening situation. By so doing, Deutsch assumes a North Korean collapse is "a distinct possibility."

Director Deutsch's definite statement about the possibility of a North Korean collapse is considered unusual given the circumstances in which the United States, which has freed itself from its North Korea policy centered around the nuclear problem, is now trying to comprehensively handle the North Korean issue.

The United States has openly mentioned the instability or the possibility of collapse when dealing with countries like Iraq, whose collapse is the goal of its foreign policy, while never mentioning the possibility of collapse when dealing with a countries like Russia, with which the United States pursues a policy of engagement and not sanctions.

Thus, as some analyses state, Deutsch's remarks may signal a change in U.S. policy toward North Korea. This is backed up by the fact that on the same day of his remarks, the U.S. State Department, which has so far used diplomatic expressions and has spoke in a roundabout manner so as not to incite North Korea, rejected North Korea's proposal to sign a "tentative agreement" and used such strong words as "never."

Some in the Ministry of National Unification and other agencies within the ROK Government feel Deutsch's testimony is a political expression intended to boost the people's attention of the CIA, whose status has become weakened, and a political gesture intended to help President Clinton who is running for reelection.

ROK: Laney's Visit to NKP Electoral District Office 'Dubiously Viewed'

SK2602102396 Seoul CHUNGANG ILBO in Korean 26 Feb 96 p 5

[Report by Choe Hun]

[FBIS Translated Text] James Laney, U.S. ambassador to the ROK, is attracting public attention since he expressed his burning interest [chomiui kwansim] in the fifteenth general elections. He personally visited a constituency chapter office of the ruling party to gather information on the situation regarding the general elections and the future political situation. On 21 February, Ambassador Laney, along with First Secretary Eric John, visited the New Korea Party's [NKP] Chongno Electoral District Office, headed by Chairman Yi Myong-pak, and discussed the elections with Yi for about 40 minutes.

Explaining the reason for his visit, Ambassador Laney, who has no personal connection to Chairman Yi, said: "I want to acquaint myself with the atmosphere of the general elections by visiting the office of a district party chapter located near the Embassy." That day, Ambassador Laney expressed his interest in the election in the Chongno District, posing the following questions: "People say Chongno is the first political district. Why is that?" "What groups of the ruling party support you?" He also reportedly asked questions of the most minute detail, asking: "What is the current situation surrounding the general elections?" "What is the matter of primary concern to the Korean people in the forthcoming elections?" "How do you think the political situation will change following the general elections?"

On that day, Chairman Yi repeatedly stressed "situational stability" with an attitude worthy of the chairman of a ruling party constituency chapter, saying: "Stability of the domestic political situation is of the utmost importance because of the sensitive reality in Northeast Asia represented by ROK-Japan and inter-Korean relations, which are becoming delicate." Ambassador Laney reportedly kept listening to Chairman Yi.

When Chairman Yi mentioned "rumor has it that the United States is promoting a policy toward North Korea behind the back of the ROK Government," Ambassador Laney replied that "the United States is not promoting any kind of North Korean policy that runs counter to the ROK people or the ROK Government," adding: "I will soon meet with President Kim Yong-sam to convey this firm U.S. policy."

Meanwhile, many dubiously viewed the visit to a ruling party constituency chapter involved in the elections, which are the most critical part of political affairs, by Ambassador Laney, a diplomat of a third country which is supposed to assume an aloof stand regarding the domestic political affairs of the country of residence.

ROK: Use of Private Telephones by Party Cadres, Military Banned

SK2602042696 Seoul CHUNGANG ILBO in Korean 26 Feb 96 p 2

[Report by Kang Yong-chin]

[FBIS Translated Text] It has been confirmed that North Korea is increasing its control over communications, such as banning the cadres of the party, the government, and the military from using their private telephones.

A government official revealed on 25 February: "It is difficult to confirm why North Korea has prohibited the use of private telephones by the cadres of the party, the government, and the military. However, it is highly likely that a serious situation may be developing inside North Korea." He added that "such a step is not aimed at merely stopping the widespread rumors and the increase of private communications."

Stressing that the government is closely watching the developments inside North Korea, another government official said: "Since the death of Kim Il-song in July 1994 and the food shortages caused by torrential downpours last summer, the public sentiment is worsening in North Korea. To make matters worse, the upper echelon class has been shaken over the defection to the West of diplomat Hyon Song-il and his wife, and Kim Chong-il's former mistress Song Hye-rim and her party. In an apparent move to tighten its grip on the upper class under such circumstances, North Korea seems to have banned the use of private communications."

ROK: Pyongyang Refuses Visit by ROK Red Cross To Deliver Relief Goods

*SK2602044196 Seoul YONHAP in English
0431 GMT 26 Feb 96*

[FBIS Transcribed Text] Seoul, Feb. 26 (YONHAP) — North Korea refused to allow South Korean Red Cross officials to make an overland visit the North to deliver relief goods, a senior Korea National Red Cross [KNRC] official said Monday.

Yi Pyong-ung, secretary-general of the KNRC, said, "We were notified by the International Red Cross Federation [IFRC] of North Korea's reply to South Korean inquiries about possible shipments of relief goods to the North. North Korea informed the IFRC that it will not accept relief goods transported overland by the KNRC or visits by KNRC officials."

In its reply to the IFRC, however, North Korea did express hope that South Korea would consider giving cash rather than relief goods to assist the North, Yi said.

North Korea reportedly told the IFRC that it will not accept such processed foods as "ramyon" instant noodles, because receiving it requires too much time and labor. The communist country also rejected construction materials and blankets.

North Korea has been experiencing chronic food shortages since heavy rainfall damaged crops and eroded topsoil last summer.

ROK: CNN News Team in DPRK To Report on Flood Devastated Areas

*SK2602063396 Seoul YONHAP in English
0622 GMT 26 Feb 96*

[FBIS Transcribed Text] Seoul, Feb. 26 (YONHAP) — A four-member news team from Cable News Network (CNN) of the United States, which has been touring North Korea since Saturday, is promoting an interview with the North's de facto leader Kim Chong-il, a CNN official here said Monday.

"The news team is scheduled to interview Kim Yong-sun, secretary of the Workers' Party and concurrent chairman of the Committee for the Peaceful Reunification of Fatherland. An interview with North Korean supreme leader Kim Chong-il is also being promoted," the official said.

The group, headed by Eason Jordan, vice president for international affairs, arrived in Pyongyang over the weekend and is to inspect and report on areas devastated by last summer's floods until Tuesday.

Late last year, Pyongyang rejected a suggestion made by the International Red Cross Federation that the Western press be allowed to visit the North and report on damage inflicted by the floods.

A government official, recalling this fact, remarked that allowing CNN television crew to cover the situation in the North is "another conciliatory gesture on the part of North Korea, which wants to improve relations with the United States."

The CNN news team is scheduled to visit Seoul immediately following its tour of the North and interview Deputy Prime Minister and Unification Minister Kwon O-ki Thursday.

ROK: MNU: Volume of DPRK External Trade Decreased in 1995

*SK2602081396 Seoul YONHAP in English
0758 GMT 26 Feb 96*

[FBIS Transcribed Text] Seoul, Feb. 26 (YONHAP) — The volume of North Korea's external trade last year is estimated at 2.06 billion U.S. dollars, or some 50 million dollars less than 1994's 2.11 million dollars, the National Unification Ministry [MNU] said Monday.

The North's exports in 1995 declined to 590 million dollars, down 30 percent from the previous year's 840 million dollars, according to the ministry's report on North Korea's trade achievements in 1995.

In contrast, imports grew 16 percent to 1.47 billion dollars from 1.27 billion dollars the year before.

Japan became the North's biggest trading partner for the first time with 590 million dollars in bilateral trade last year, a 20- percent increase from 1994's 490 million dollars.

However, North Korea's trade with China and Russia continued to slide to 550 million and 60 million dollars, respectively. In particular, the North's trade deficit with China skyrocketed to 430 million dollars with exports registering 60 million dollars against 490 million dollars in imports.

Grain imports from China declined sharply to 6,550,000 dollars from the previous year's 28.66 million dollars, which is another indication that the country is suffering severe food problems, ministry officials explained.

Last summer's flood damage, a decrease in productivity, and a lack of foreign currency, are all factors that contributed to the worsening trade situation in the North, the officials said.

ROK: DPRK Red Cross Said To Prefer Cash Instead of Relief Goods

OW2602091196 Hong Kong AFP in English 0826 GMT 26 Feb 96

[FBIS Transcribed Text] Seoul, Feb 26 (AFP) — North Korea's Red Cross has told its South Korean counterpart that it would prefer cash donations to relief goods to ease its acute food shortages, a spokesman said Monday [26 February].

The appeal, relayed through the Federation of International Red Cross Societies, came as the South's Red Cross (KNRC) [Korea National Red Cross] prepared a fourth shipment to the North, the KNRC's Secretary General Yi Pyong-ung said.

"We interpret this North Korean notification as showing its intention to seek cash instead of goods from South Korea," a KNRC official told AFP.

"But the North Korean intention is not clear, so we have to talk further with international Red Cross officials about our additional aid plans," he said.

"Anyway we are ready to push ahead with our planned fourth shipment," he said, adding that previous deliveries of instant noodles, blankets and warm winter socks from the South had been distributed fairly to the North's hungry.

In its message, the North Korean Red Cross also said processed foods such as instant noodles required "too much time and labor" indicating, KNRC sources said, that they were painstakingly removing all labels.

Earlier this month a KNRC spokesman said they planned to go ahead with noodle shipments without removing brand names because it was "almost impossible to tear up the tiny soup-flavor envelopes in the noodles."

Construction materials were to have been added to the fourth shipment, made up of donations from private and church groups since Seoul halted government aid. But the North in its message, said enough construction materials were available there, the spokesman said.

So far the KNRC has shipped 41 million dollars worth of relief to North Korea, where international aid organizations say millions are suffering from worsening food shortages.

The South Korean Government sent 150,000 tonnes of free rice North before talks on further shipments were broken off over the North's refusal to recognize the talks as official.

ROK Editorial Urges Revision of SOFA To Eradicate Inequalities

SK2302124996 Seoul MUNHWA ILBO in Korean 22 Feb 96 p 7

[Editorial: "Early Conclusion of SOFA Negotiations Urged"]

[FBIS Summary] The progress in the ongoing negotiations on revising the ROK-U.S. Status of Forces Agreement [SOFA] "falls short of the people's original expectations." According to the agreement between ROK Foreign Minister Kong No-myong and U.S. State Secretary William Perry in November 1995, the revision of the SOFA was supposed to be concluded by the end of January. However, the two sides are now holding the fifth round of negotiations in Seoul, and "it seems the negotiations will be dragged out until March when the sixth round is likely to be held in Washington."

The revision of the SOFA is "another correction of history by adjusting the inequality which is based upon the assumption that the U.S. soldiers stationed in the ROK are regarded as benefactors." In order to hold the negotiations "in a manner oriented toward future ROK-U.S. relations," the two sides are urged to realize the following. First, the ROK "needs to assume a flexible attitude" toward the criminal jurisdiction issue. That is, the ROK "may accept" the U.S. demand for restrictions on the prosecution's right to appeal the ruling if a U.S. soldier is judged innocent by a Korean judge during the trial. Our acceptance of the U.S. demand "would make it easier for the sides to reach agreement on shortening the time it takes to deliver U.S. soldiers who commit crimes to the ROK, as well as discriminating between types of criminals whose delivery should be made prior to their accusations."

Second, other problems should not be discounted because of the main issue of criminal jurisdiction. In particular, "active changes in the U.S. attitude are keenly required." The United States "should show the spirit of good-neighborliness based on reciprocity and equality" by reinforcing its systems to compensate Korean victims for crimes involving U.S. servicemen; by revising its labor regulations that place Korean workers under conditions worse than those defined by ROK domestic law; by taking full responsibility for damages caused by U.S. servicemen in the line of duty; and by developing ways to "fundamentally restrict smuggling by U.S. servicemen and the illegal circulation of supplies from the U.S. Forces in Korea."

We repeatedly urge both sides to assume an active attitude to "overall revise the SOFA so as to eradicate its unequal structure."

ROK: Defector Alleges Many DPRK 'Runaways' Hiding in China

SK2602063796 Seoul YONHAP in English
0625 GMT 26 Feb 96

[FBIS Transcribed Text] Pohang, North Kyongsang Province, Feb. 26 (YONHAP) — A North Korean defector said Monday he had heard rumors that a considerable number of North Koreans had crossed the Tumen River to hide in the Yanbian region of China.

In a press conference here, Kim Yong-kuk, 21, said, "I've heard that they're waiting for the opportunity to defect to South Korea." Kim was discovered hiding aboard a Chinese coal freighter that arrived in Pohang Sunday afternoon.

About 2,000 North Korean agents were reportedly dispatched to China to arrest such runaways and return them to the North, he said.

He was a student at a North Korean driving school, he said, until he swam across the Tumen River to escape to China in May 1994.

"I decided to defect to the South after hearing from my relatives in Yanbian as well as from radio that South Korea is freer and richer than the North," Kim added.

ROK: Kim Yong-sam's Challenges for Remainder of His Term Reviewed

SK2502044396 Seoul THE KOREA HERALD
in English 25 Feb 96 p 2

[By staff reporter Chon Si-yong]

[FBIS Transcribed Text] President Kim Yong-sam marks the third anniversary of his presidency today with a string of challenges lined up for the rest of his five-year term in office.

Kim will face the most imminent challenge at the general elections in April where his ruling New Korea Party (NKP) is expected to wage a tough battle against the opposition which has been emboldened by a stunning triumph in last year's local elections.

Kim also observes his inauguration anniversary at a time when his foreign policy is being put to a fresh, but serious test over North Korean affairs and a sudden chill in relations with Japan.

Despite a historic nuclear accord reached between the United States and North Korea in 1994 and South Korea's offer of free rice to the North last year, inter-Korean relations have remained cool.

The recent series of high-profile defections by North Koreans further chilled the relationship between Seoul and Pyongyang, clouding prospects for an early breakthrough.

The often-fragile relations between South Korea and Japan also went downhill in the wake of Tokyo's fresh claims to the Tokto islets in the East Sea [Sea of Japan] and the subsequent rows over territorial and fishing issues.

The web of problems facing Kim comes on top of the shocking corruption scandals and insurrection cases involving his two immediate predecessors, Chon Tu-hwan and No Tae-u.

While President Kim's initiatives to "right the wrongs of history" as he put it, by throwing the ex-presidents into jail, partly helped revive his once sliding political fortunes, he has yet to escape unscathed from the scandals because of his past association to the former general-turned Presidents.

Since the No slush fund scandal erupted four months ago, Kim has been plagued consistently by the allegations that he benefited from the slush fund No amassed while in office for his own presidential campaign in 1992.

Kim, while admitting he too had received political donations before becoming President, denied the allegations, saying that he did not receive any money from No "personally."

Kim, who will meet the Chongwadae [presidential offices] press corps in New Delhi Sunday to mark the anniversary, will not expound on his campaign fund, presidential aides said.

Opposition leader Kim Tae-chung, who confessed to having received 2 billion won from No shortly before the 1992 presidential election, and other critics accused President Kim of lying.

Kim Tae-chung, the President's archrival and a strong potential presidential candidate, alleged that President Kim took at least 300 billion won from No, his immediate predecessor as head of the ruling coalition and President.

The issue of the President's campaign fund is expected to remain a major thorn for Kim as he is gearing up what is sure to be a difficult campaign for the general elections.

The general elections to form the 15th National Assembly, the only parliamentary elections held during Kim's five-year single term in office, is crucial for the Kim presidency which has undergone ups and downs over the past three years.

An election victory for Kim's NKP will prevent the President from becoming an early lame duck and raise his chances of handing over Chongwadae to a candidate from the ruling party, analysts said.

If the general elections go sour for the NKP, as the local elections did last June, Kim will have his accomplishments wiped out overnight and face an immediate crisis of governability for the rest of his term of office, the analysts said.

It is against this backdrop that President Kim has gone all out to consolidate his forces in recent months.

As a matter of fact, Kim himself has been taking the helm of the NKP's efforts to win the elections in the face of the opposition's accusations that he is turning Chongwadae into a campaign headquarters of the ruling party. He took control of the NKP's nomination of candidates, meeting many of the potential nominees at his Chongwadae office.

The surprise announcements of the admission of former legislator Pak Chan-chong and a popular ex-prime minister, Yi Hoe-chang, to the NKP were also made at Chongwadae after Kim held respective exclusive meetings with the two.

Yi and Pak, both handpicked by Kim, have already been posted on the front line of the ruling party's election battles, with the former prime minister as the chief campaign manager and Pak as the chief supervisor of election campaigns in the Seoul metropolitan area.

All these amply show that President Kim is well aware that the NKP's performance at the forthcoming elections will be the most crucial factor in determining the success or failure of his presidency at large, analysts said.

Kim is devoting his all to the election efforts because he would not be able to end his presidency in credit if he loses the general elections, they said.

However, Kim's endeavors to recover from a humiliating defeat at last year's local elections and pull off a victory at the general elections are not free of criticisms.

Kim's critics accuse that the President is even exploiting foreign and North Korea policy issues to line up votes for his men from the NKP.

Kim was at the head of South Korean efforts to refrain the United States and other countries from providing free aids to North Korea which is suffering a severe food shortage.

The critics also allege that Kim's hardline reactions to Japan's claims to the Tokto islets have much to do with the elections.

ROK President Kim Visits Cemetery, Presides at Cabinet Meeting

SK2402044496 Seoul THE KOREA HERALD in English 24 Feb 96 p 2

[FBIS Transcribed Text] President Kim Yong-sam, who embarks on a 10-day overseas trip today, made an unusual visit to the National Cemetery in southern Seoul yesterday.

Kim also presided over a full cabinet meeting at Chongwadae, during which he called on the ministers to maintain a flawless defense posture and prevent disasters and crime.

Presidential officials said Kim visited the National Cemetery yesterday because he will not be able to observe at home the anniversary of the March 1, 1919, independence movement against Japan's colonial rule.

It is the first time for Kim to visit the cemetery, where anti-Japanese independence fighters are buried, on the occasion of the March 1 anniversary.

Kim's visit to the National Cemetery in Tongjak-tong this year came at a time when South Korea-Japan relations have rapidly cooled in the wake of Tokyo's renewed claims to the Tokto islets.

Kim, enraged by the Japanese move, canceled a visit to Chongwadae [presidential offices] by a delegation from the Japanese ruling coalition earlier this month.

He is also believed to be behind the Seoul government's decision not to seek a South Korea-Japan summit during the summit of Asian and European leaders in Bangkok.

During the cabinet meeting, Kim did not make any direct comments about the South Korea-Japan row over the Tokto islets, but did say that the March 1 anniversary is a "special day for South Korea."

"I went to the National Cemetery to pay my respects to patriotic ancestors who gave their lives to achieve independence and protect the country," the President said.

Chongwadae Chief of Staff Kim Kwang-il, all the senior presidential secretaries, and Defense Minister Yi Yang-ho accompanied Kim on his visit to the cemetery.

Kim asked the cabinet members to take good care of state affairs while he is away from home, presidential spokesman Yun Yo-chun said.

Reminding the ministers of the unstable situation in North Korea, he in particular stressed the importance of maintaining foolproof defense readiness against a possible provocation by the North.

He also talked about the prevention of mass disasters and crime, inflation control, and the ensuring of clean campaigns for the upcoming parliamentary elections.

Meanwhile, Chongwadae officials said that President Kim plans to invite the heads of the three branches of government, leaders of ruling and opposition parties to a Chongwadae luncheon to brief them on the outcome of his overseas trip after he returns home March 4.

The President's major political rivals including opposition leaders Kim Tae-chung and Kim Chong-pil, will be on his guest list, the officials said.

President Kim said last month he was willing to meet with opposition leaders to discuss ways to ensure clean election campaigns, but has not made any concrete steps to set up a high- level political meeting with the opposition.

Kim Tae-chung, leader of the largest opposition National Congress for New Politics, has been accusing the President of "eating his words" and demanded a Chongwadae meeting.

But it has yet to be seen whether Kim Tae-chung and Kim Chong- pil, leader of the minor opposition United Liberal Democrats, will agree to the President's proposal for a meeting that will bring together the prime minister, the chief justice and the National Assembly speaker as well.

During his past meetings on his overseas trips, President Kim tried to exclude domestic political affairs from the agenda.

But on such occasions, the opposition leaders wanted separate talks with the President on all pending political issues.

ROK: Kim Yong-sam Arrives in India 24 Feb, Attends State Dinner

SK2402114996 Seoul YONHAP in English 1141 GMT 24 Feb 96

[FBIS Transcribed Text] New Delhi, Feb. 24 (YONHAP) — President Kim Yong-sam arrived in an Air Force base here Saturday to start his four-day state visit to India, the first leg of his tour of three Asian states including Singapore and Thailand.

President Kim and first lady Son Myong-sun attended an official welcoming ceremony at the presidential palace and then went to a state dinner hosted by Indian President Shankar Dayal Sharma at the palace.

In a speech to the dinner, President Kim expressed satisfaction with the steady progress made in economic and political relations between the two countries since normalization of relations in 1973.

"Nonetheless, our two nations should not be content with these developments," Kim said.

"The economies of the Republic of India and Korea are mutually complementary in many respects. I am certain that by effectively combining India's abundant natural resources and manpower and the Republic of Korea's capital and technology, our two countries will be able to greatly promote our common interests."

Kim further went on to say "Let the Republic of Korea, which the famed Indian poet Sir Rabindranath Tagore [spelling of name as received] described as one of the 'lamp bearers' of the East, and India, a civilized country to the West which Koreans admired a millennium ago, join hands and pool their strength."

"By doing so, let the Republics of India and Korea work together to build a broad, new silk road linking India to the republic of Korea," Kim said.

President Kim will pay reverence at Mahatma Gandhi's tomb early Sunday [25 February] morning and meet with accompanying reporters to retrospect the past three years during which he served as the country's president and the guidelines for running the country during the remaining two years' tenure. Kim took office on Feb. 25 in 1993.

On Monday, Kim will have a summit meeting with Indian Prime Minister Narasimha Rao on ways to enhance bilateral economic, trade and political relations.

Kim had departed Seoul early Saturday on a special Korean Air flight for New Delhi. Kim will make a state visits to India and Singapore until Feb. 29 and fly to Bangkok March 1 to attend the first summit meeting of leaders of 25 Asian and European nations.

The Asia-Europe Meeting (ASEM) will last until March 2 and Kim will return to Seoul March 4.

ROK: Major Political Parties Hold Rallies To 'Kick-Off' Campaigns

SK2402015896 Seoul THE KOREA TIMES in English 24 Feb 96 p 2

[Report by staff reporter Pak Sung-yong]

[FBIS Transcribed Text] With only 47 days to go before the National Assembly elections, the nation's major political parties yesterday virtually began campaigning by holding various party rallies across the country.

In particular, the ruling New Korea Party [NKP] sent its campaign manager Yi Hoe-chang former-lawmaker Pak Chan-chong and ex-prime minister Yi Hong-ku, all of whom joined the party recently, to party rallies.

Ruling party campaign manager Yi Hoe-chang said the political reality of the country is distorted by mudslinging and a series of scandalous lies and half-truths.

Criticizing such age-old practices, which deter the advancement of the nation's politics, Yi stressed, "Politics based on common sense is a prerequisite to clean politics."

He made the remarks in a speech to a reorganization rally of the ruling NKP's Anyang Tongang-B district office, the first since he was appointed to head the party's campaign machine to be set up early next month.

Yi conceded that, in a way, the April 11 general election is a mid-term referendum on the Kim Yong-sam administration, but he stressed at the same time that the current government is committed to completing the ongoing reforms.

"If the opposition parties come out bigger than the ruling party at the upcoming polls, it will surely hamper political stability and serve as a major stumbling block to the completion of the reforms," he said.

He went on to say that the April elections should be a procedure in which a new political paradigm for the 21st century is set up.

"With the existing political paradigm, which characterized by regional hegemony and a political party serving only one person, we cannot cope with a rapidly changing future," Yi said.

Through the upcoming polls, he stressed, new faces should come out and form a new political force that can effectively prepare for the future.

Citing reform policies that have been carried out by the Kim Yong-sam administration, including the decision to outlaw false-name bank accounts, Lee said, "The ruling party should score a landslide victory so that these reforms can be perfected and lead to real change in the nation's politics."

Pak Chan-chong, who will take charge of the ruling party's campaign in the metropolitan area, told the meeting that there are some mistakes in Kim Yong-sam's reform drive.

"The ruling party will have to emerge victorious in the April polls so that it can lead the second stage of reform, in which the mistakes will be corrected," the maverick politician continued.

Meanwhile, leaders of the three opposition parties also attended various party rallies held in local cities and called for the people's support.

President Kim Tae-chung of the main opposition National Congress for New Politics [NCNP] told a party gathering in Wonju, Kangwon-to, that his party should win at least a third of the National Assembly seats for the sake of political stability.

"If the NCNP fails to win that many seats, the opposition parties will not be able to check President Kim's arbitrary ruling style and his party's attempt to revise the Constitution to introduce a parliamentary cabinet system," Kim said.

He stressed that the support for his party in Kangwon-to, where the splinter opposition United Liberal Democrats [ULD] are commanding strong popularity, will be decisive in the NCNP's emerging as an effective checking force of the ruling party.

The minor opposition Democratic Party [DP] held a reorganization rally of its Samchok district office in Kangwon-to and elected co- chairman Chang Ul-pyong chairman of the office. He will automatically be appointed as a party candidate in the area.

At the meeting, party advisor Yi Ki-taek and co-chairmen Chang and Kim Won-ki stressed that the DP should win the April polls to put an end to the decades-old political domination by the so-called three Kims.

The three Kims refer to President Kim Yong-sam, NCNP leader Kim Tae-chung and ULD president Kim Chong-pil.

ULD president Kim attended a party rally in Chungju, Chunchongpuk-to, his traditional powerbase, and stressed the need to introduce the Cabinet system.

"Those who say the presidential system is the only government format that can survive eventual national reunification, and that the cabinet system will worsen collusive links between politics and businesses are paranoid presidential zealots,"' the conservative politician said.

"You should remember that the claim is being made by those who are dying to become president," Kim said, "You should also remember that absolute power is often absolutely corrupt."

ROK: ULD Candidate Kim Chong-pil Visits Hometown Electoral District

SK2502044296 Seoul THE KOREA HERALD in English 25 Feb 96 p 2

[FBIS Transcribed Text] Kim Chong-pil, president of the opposition United Liberal Democrats [ULD], visited the ancient town of Puyo, his electoral district in South Chungchong Province, yesterday.

His trip to Puyo, where he is seeking reelection in the upcoming general elections, was the first after the local election last June.

Kim showed off his political clout when he had a number of party officeholders and lawmakers accompany him during his one-day visit.

His aides said he visited his hometown to participate in a party rally designed to cement solidarity among party members in the local district.

But political observers speculate that other reasons may have been behind his visit to his hometown.

Kim's trip to Puyo virtually went against his earlier remarks that he would not visit his hometown, which were an apparent gesture of confidence in winning the election.

Kim may have been alarmed by the ruling party's determination to win some parliamentary seats in the Chungchong region, where he enjoys overwhelming voter support.

Yi Hoe-chang, the ruling party's chief campaign manager, tried to prevent the whirlwind of support to Kim from blowing again when he recently visited Yesan in South Chungchong Province.

Reports had it that Yi's visit to the province boosted the morale of ruling party candidates running in the elections there.

Furthermore, ruling party candidate Yi Chin-sam, who is vying against opposition leader Kim in Puyo, is reportedly stepping up his campaign with the backing of his party.

Yi, a former minister of sports and youth, has gone all out to draw voter support since he came to Puyo as soon as he was appointed as chairman of the party's chapter there last September, his aides said.

One aide said, "We have already turned more than 10,000 residents into our party members. If the trend continues, the victory is ours."

Another factor prodding Kim to pay greater attention to his home ground may be that the ruling party has nominated heavyweights, many of whom are former top military officers, to run in the province.

The ruling party nominated a former Navy chief of staff to compete against Kim's chief secretary in Yeochon and a former Air Force major general to vie with a vice president of Kim's party in Poryong.

Yi Chin-sam, Kim's rival, also served as Army chief of staff during the rule of former President No Tae-u.

Kim, who has indicated that he will make his second bid for the presidency next year, badly needs a landslide victory in his hometown.

Kim's presidential bid may be hurt if he fails to win the battle with Yi by a big margin.

Kim's opposition party cast no doubts over his victory in his electoral district.

Party officials believe Yi will fail to draw voter support because of his past.

In 1993, Yi was sentenced to eight months in jail when he was convicted of engineering terrorist acts against opposition leaders in 1985 and 1986 as head of the Defense Intelligence Command. He was later rehabilitated through a presidential clemency.

ROK: NKP Accuses Opposition Leaders of Making Threats, Ignoring Ethics

SK2502044596 Seoul THE KOREA TIMES in English 25 Feb 96 p 2

[By staff reporter Pak Sung-yong]

[FBIS Transcribed Text] Public attention is focusing on what prompted Kim Tae-chung and Kim Chong-pil, to launch political offensives aimed directly at President Kim Yong-sam and what they intend to accomplish.

Some observers said the offensives are strategies to turn the April 11 general elections into a duel between President Kim and them and putting the frontline of the ruling camp into disarray.

But others are concerned that if the ruling New Korea Party [NKP] takes the attacks personally and retaliates, all-out war between the three Kims could erupt.

The NKP, has accused the two Kims of "making threats and ignoring the principals of political ethics."

The offensives began on Thursday when president Kim Tae-chung of the main opposition National Congress for New Politics opened fire at a meeting with journalists in Taegu.

Kim said that President Kim "could face the same situation as his last two predecessors' after leaving office if he keeps repressing opposition parties, instead of asking for their support."

The two, Chon Tu-hwan and No Tae-u, were jailed and await trial on charges of treason and corruption. If convicted, both could face the death penalty.

The opposition leader went on that if his party wins more than a third of National Assembly seats and is allowed to convene an Assembly session by itself, it will summon President Kim to testify before the Assembly on how he funded his 1992 presidential election campaign.

The life-long political rival of the President confessed to receiving 2 billion won from No Tae-u for his unsuccessful presidential bid in 1992 and maintained that Kim received much more from No.

Kim also charged the chief executive with having filled all military posts that were formerly held by so-called "Hanahoe" members, all followers of ex-presidents Chon and No, with those hailing from his powerbase of Pusan and its surrounding Kyongsang- namdo.

Denouncing the President for being involved too much in planning the campaign strategies of his ruling NKP, instead of performing his job as head of state, Kim vowed that his party will file a suit against President Kim for violating election laws.

But seemingly aware that he was going too far in attacking Kim, he said "If the President guarantees a fair competition between the ruling and opposition parties, I will not take action against him after he leaves office."

Kim Chong-pil, president of the splinter opposition United Liberal Democrats warned recently that President Kim has only two years to go and that he should be prepared to end his term honorably as nobody knows what the outcome of the upcoming polls will be.

Kim also threatened that no one can guarantee that the President will not take the same path as his two predecessors.

The two opposition leaders are focusing on exposure of what they call the President Kim's inability to carry out his duty as head of state.

They are carrying the message to the people that it is a tragedy the nation has Kim Yong-sam as President. Still, it may take solace in the fact that he has only two more years to go in office and in the further fact that no sitting president can seek re-election.

In response to the attacks, Kim Chol, a spokesman of the NKP's campaign headquarters, issued a statement yesterday denouncing the two opposition leaders for making threats.

"The two Kims, intentionally refusing to properly evaluate President Kim's campaign to set history right, are only making such remarks that are apparently anachronistic and anti-reformist," Kim said.

ROK: Foreign Firms Prepare To Enter Nuclear Power Plant Market

SK2402032896 Seoul YONHAP in English 0135 GMT 24 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 24 (YONHAP) — With the nuclear power plant construction market opening to foreign companies next year, American and European power-generation equipment suppliers are preparing to enter the market.

GEC-Alsthom, a British-French consortium, is planning to supply generators and turbines in cooperation with South Korea's Daewoo Heavy Industries or Samsung Engineering and Construction Co., business sources said over the weekend.

The European company is likely to pick Daewoo as its partner in this plan, as it did when it supplied conventional power plant equipment, a source remarked.

General Electric Co. of the United States is also interested in the market, but has not yet decided whether it should supply generators and turbines in cooperation with its longtime South Korean partner Korea Heavy Industries and Construction or independently.

Westinghouse Electric, another American firm, is also likely to bid on South Korean nuclear power plant projects together with Hyundai Heavy Industries, with which it has long maintained business relations.

Siemens of Germany and Framatoeme of France are also reportedly planning to participate in South Korea's atomic power industry.

As far as nuclear reactors go, however, ABB-CE of the United States will be the sole foreign participant because South Korea's standard reactor model was based on a model developed by this American company.

Toward the end of this year, Korea Heavy Industries and Construction will lose its exclusive right to being the prime contractor of nuclear power plant construction projects, due to next year's market opening, and ABB-CE will continue its business relationship with the company after the market opens, sources close to the American firm said.

But Japanese firms, including Mitsubishi and Hitachi, will not enter the market, because, having acquired nuclear power technology from U.S. firms, must obtain approval from the U.S. Congress to engage in the South Korean nuclear power market business.

ROK: MFE Plans To Liberalize Stock Market, Increase Investment Limits

SK2502092996 Seoul YONHAP in English 0914 GMT 25 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 25 (YONHAP) — Beginning from April 1, the upper limit of foreign investments in a given stock market-listed company will be raised from the current 15 percent of its total capitalization to 18 percent.

The limit for strategic or publicly sensitive companies, such as Korea Electric Power Corp. and Pohang Iron and Steel Co., will rise from the current 10 percent to 12 percent, according to the Finance and Economy Ministry's [MFE] plan to further liberalize the stock market.

In addition, the ceiling on investment by an individual investor will increase from the current 3 percent to 4 percent for "ordinary" companies, and the limit for "strategic" companies will remain at the present 1 percent.

Depending on the market's situation, the 18-percent limit for ordinary companies will be further raised to 20 percent, the 12-percent limit for strategic companies to 15 percent and the 4-percent limit on investment by an individual investor to 5 percent during the latter half of the year.

The ministry estimates an additional inflow of foreign investment funds to the market due to the increased 18-percent limit at 2 billion U.S. dollars.

The 20-percent limit will further bring 1.5 billion dollars more to the market.

The companies that had been above the 15-percent and 10-percent limits as of Feb. 23 numbered 114, including such blue chips as Pohang Iron and Steel Co., Samsung Electronics, Korea Mobile Telecom and Samsung Fire and Marine Insurance Co.

The plan calls for removal of all restrictions on Korean investments in overseas stock markets, lifting the 1-billion-won [US$1.3 million] ceiling for corporate investors and the 500-million-won [US$650,000] limit for individual investors.

To check capital flight through overseas stock investments, those investing beyond the amount of funds to be fixed later in foreign bourses will be referred to tax authorities for investigation into the source of such funds.

The Korea Asia Fund, an offshore-managed investment fund for Korean securities, will be allowed to increase its capital from 150 million dollars to 250 million dollars in March.

The Korea Europe Fund will also increase its capital from 160 million dollars to 260 million dollars next month.

These offshore-managed funds will be allowed to invest in the over-the-counter (OTC) market, starting from March 1, and their investment will be limited to 25 percent of their net assets for the whole OTC market and 5 percent for a given company.

OTC market-registered companies currently number 340.

ROK: 'Tougher' Trade Policies With Developed Nations Needed

SK2402015796 Seoul THE KOREA TIMES in English 24 Feb 96 p 8

[Report by staff reporter Sim Chae-yun]

[FBIS Transcribed Text] Korea needs to employ tougher policies in trading with developed nations, especially with the United States and the European Union, said top trade representatives of Korea assigned to the two most advanced regions.

Korea should enact lean-and-mean trade policies and not hesitate to go to the World Trade Organization (WTO) if necessary to cope with the ever-toughening trade climate, they said in an exclusive interview with THE KOREA TIMES.

Pointing out that the nation has so far maintained an overly receptive attitude in trading with developed nations, they cited the need for the nation to take a different attitude to cope with what they called "bullying" tactics by developed nations.

Ho Sang-chin, KOTRA [Korea Trade Promotion Corporation] vice president in charge of trade in the European region, and Choe Yun- hong, director of the Korea Trade Center in Washington of KOTRA, are here to participate in the ongoing meetings of KOTRA trade center heads dispatched all around the world.

Touching upon the U.S.'s trade practices, Choe, a son of former president Choe Kyu-ha, said, "The United States tends to opt for one-to-one negotiations with trading nations. And in the process, no country has won against the U.S., which is equipped with powerful devices to subjugate."

In a sense, trade talks in the international community is like a war in which the stronger dominates the weaker, Choe said.

He added that Korea is too susceptible to possible trade pressures from the United States and its actions are even humiliating when compared to the Chinese and India cases.

They (China and India) have coped well with trade pressures from developed nations, in particular from the United States, by taking an aggressive attitude and ignoring the pressure, he said.

In comparison, Korea responds too sensitively to U.S. trade pressure, sending trade delegates with a mission to appease them, he said.

Ho also said that the nation should resort to WTO regulations in case a dispute arises in trading with the developed nations, instead of getting involved in one-to-one negotiations with them.

Ho deplored the fact that Korean companies, fearful of a WTO suit itself, have yielded too easily to trade pressures.

"The essence of a trade negotiation is a war between lawyers employed by two companies. Korean firms need to positively respond to possible trade frictions and bring the trade issues to the WTO," he said.

The trade directors voiced the need for less developed nations with similar interests to form an alliance to effectively deal with potential trade talks with power trading nations.

They also said that Korean companies should improve the image of their company and country by investing in public welfare programs.

"They need to spend more money on non-profit sectors like culture, environment and charity facilities," they said.

As a matter of fact, the nation and its products suffers from a poor image. Although the goods are high in quality, people in Europe and the U.S. tend to appreciate them less compared to those from Japan and other developed nations, they said.

Ho took the example of Japan, which held its own traditional "sumo" sports event in France recently, attracting the nation's top leaders, including the president and prime minister, as well as a large number of citizens.

Touching on the biggest difficulty faced by Korean companies active in the western nations, they cited the relatively lower recognition of Korean brands among consumers.

"Domestic companies should change their tactics for market access. They need a more "grassroots approach," through which they bring their products directly to the consumers," said Choe.

They can make great profits in the process as they can sell their goods without relying on importers and distributors, he said.

To this end, they need to set up their own distribution networks, he added.

Small and medium-sized companies (SMCs), for their part, are asked to form the networks jointly, he added.

Ho noted that Britain has the brightest prospect for investment by Korean companies, saying most domestic firms have succeeded in the island country. "This is because the investment climate there is comparatively better than other nations in terms of labor and taxes."

He added that promising areas for investment include state-of-the-art sectors like electronics, semiconductors and other heavy and chemical industries.

ROK Political Parties 'Paying Close Attention' to Chon's Trial

SK2402050196 Seoul THE KOREA HERALD in English 24 Feb 96 p 2

[By staff reporter Sin Yong-pae]

[FBIS Transcribed Text] With former President Chon Tu-hwan scheduled to be brought to trial Monday, both ruling and opposition parties are bracing for his remarks that could tarnish their image before the up-coming general elections.

The ruling and opposition parties are paying keen attention to whether or not Chon will disclose the names of politicians to whom he allegedly gave money.

The prosecution recently said that Chon confessed he had given 15 billion won to politicians and journalists.

The prosecution said the money is part of 88 billion won Chon had spent to engineer a political comeback since he handed over the presidency to No Tae-u in early 1988.

Chon was indicted on charges of taking bribes amounting to some 700 billion won from businessmen and on mutiny charges in connection with his role in the 1979 coup and the 1980 massacre in Kwangju last month.

Speculation has it that a considerable number of lawmakers from the ruling and opposition parties benefited from Chon's payouts.

If Chon's confession is true and he spells out the names of politicians who took his money, the career of those politicians are certain to be ruined.

In addition, Chon's disclosure of the beneficiaries is expected to affect their parties' chances of winning the general elections in April.

That is why the ruling and opposition parties are paying close attention to the first session of the Chon trial.

The Monday session is also expected to rekindle a past dispute between the rival parties over the campaign funds used by presidential candidates in 1992.

The prosecution said Chon admitted that he funneled 245 billion won into then ruling party candidate No Tae-u during the 1987 presidential election.

Chon, it said, gave 190 billion won to No for his campaign and 55 billion won later to congratulate him on his election victory.

But Chon's confession raised a question on whether he provided campaign funds for those running for the presidency in 1992 as well.

Speculation is mounting that some of the huge amount of money No took from Chon may have gone to then presidential candidates Kim Yong-sam and Kim Tae-chung.

Last year, opposition leader Kim Tae-chung admitted that he received 2 billion won from No. Kim claimed that President Kim Yong-sam received at least 300 billion won from No for his election. President Kim has denied the claim.

It is not known whether or not Chon will open his mouth on what he did during the 1992 presidential election. Chon's legal counsel said the former President is expected to disclose all he knows during his trial.

Chon's confession on his payouts to politicians and his support to No stunned the ruling and opposition parties.

But the parties were cautious in responding to Chon's confession while closely watching how the fallout of the case will affect their chances of winning the general elections.

The ruling New Korea Party has yet to make an official response to Chon's confession. But some party officials said his financial support to No has nothing to do with their party.

"Chon's support to No took place before the ruling party was founded in a major political realignment in 1990," said a party official.

But he said his party is worried that Chon's payouts to politicians may hurt the party's chances of winning the general elections.

Reports said those who took money from Chon are mainly ruling party politicians who started their career with the backing of Chon's military-backed government.

The main opposition National Congress for New Politics, led by Kim Tae-chung, said it is intolerable that Chon distributed 15 billion won to politicians and journalists for his political comeback.

"The prosecution should clear all suspicions surrounding Chon's slush funds because the case is deepening public distrust in politicians," said a spokesman for the opposition party.

Another two opposition parties — the Democratic Party and the United Liberal Democrats — urged the prosecution to find out how much President Kim and opposition leader Kim Tae-chung spent for their presidential campaigning in 1992 and whether or not they received money from Chon.

ROK: Ex-President Chon Tu-hwan Admits Receiving 'Secret Funds'

SK2602031996 Seoul YONHAP in English 0255 GMT 26 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 26 (YONHAP) — Former President Chon Tu-hwan became South Korea's second former head of state ever to stand trial for accepting bribes Monday morning.

Five of his close associates — former chief presidential bodyguard An Hyon-tae, 59, former National Tax Commissioner Song Yong-uk, 60, lawmaker Chong Ho-yong, 63, former senior Presidential Economic Secretary Sakong Il, 56, and former Agency for National Security Planning Director An Mu-hyok were also on trial with him.

In the hearing before Senior Judge Kim Yong-il of the Seoul District Court, Chon admitted accepting 700 billion won (900 million dollars in "secret funds" during his presidency from 1980 to 1988, but added that he had received the money for "governing activities" with no conditions attached.

When senior Prosecutor Kim Song-ho pressed for the names of politicians and journalists to whom he had given a total of 88 billion won before he went into exile at a remote Buddhist temple in late 1989, however, he refused to answer, explaining that such revelations would bring grave political consequences.

When asked about the 225.9 billion won that prosecutors believe he received as bribes from businesses, Chon said he had received the money as a matter of custom on such special occasions as year-end, without intimidation or special favors.

The prosecution had prepared 160 questions to elicit Chon's admission that he had indeed accepted bribes while in office.

Chon arrived at the Seoul District Courthouse by minivan at 9:17 from the police hospital where he is receiving treatment for the after-effects of his three-week fast, and was ushered into the courtroom at 10:00 AM sharp.

His bluish grey garment was emblazoned with prisoner number 3124. He appeared to be in a good shape despite reports that he was still recuperating from his fast.

When reporters asked him about his health en route to the courtroom, he said, "I'm quite okay."

In the afternoon session, prosecutors are to question Chon's five associates about their roles in helping him amass the huge slush fund.

The court only issued 80 admission tickets for the Chon trial.

Approximately 1,000 riot police troops were deployed around the courthouse in case of an emergency.

ROK: An Testifies To Collecting Election Funds in 'Forcible Manner'

SK2602091496 Seoul YONHAP in English 0903 GMT 26 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 26 (YONHAP) — Former President Chon Tu-hwan directly instructed his close aides to collect money from the nation's major conglomerates for use as campaign funds for the then-ruling Democratic Justice Party (DJP) in the 1987 presidential election.

Former Chief Presidential Bodyguard An Hyon-tae, 59, said at a court hearing on bribery charges facing Chon that he along with Yi Won-cho, former chief of the Office of Bank Supervision, and former Finance Minister Sakong Il received such a directive in August 1987.

In the 1987 presidential elections, DJP candidate No Tae-u, Chon's protege, emerged victorious.

Chon stood trial along with five of his ex-associates — An, Sakong, former National Tax Commissioner Song Yong-uk, lawmaker Chong Ho-yong, and former Agency for National Security Planning Director An Mu-hyok.

An Hyon-tae said, "We were told to collect in a forcible manner election funds varying from 1 billion to 3 billion won [US$1.3 million to 3.9 million] depending on the size of the enterprises. No one of them rejected the request."

According to the former presidential bodyguard's testimony, Chairman Kim Sok-won of Ssangyong provided Chon with 3 billion won in August 1987, and chairman Kim Sung-yon of Hanhwa gave 3 billion won a month later. Dainong Chairman Pak Yong-hak contributed 2 billion won [US$2.6 million] to Chon in October of the same year.

In September 1987, Song and Sakong asked Lotte Chairman Sin Kyok- ho for a donation, with the same request being asked of Doosan in October. Sakong demanded Kia in May that it contribute 2 billion won to Chon.

Meanwhile, in a hearing before Senior Judge Kim Yong-il of the Seoul District Court, Chon admitted to accepting 700 billion won (900 million U.S. dollars) in "secret funds" during his presidency from 1980 to 1988. He asserted, however, that he had received the money for "governing activities" with no strings attached.

Burma

Burma's Saw Ba Thin: KNU-SLORC Peace Talks Fail To Make Progress

BK2302134796 Bangkok PHUCHATKAN in Thai 23 Feb 96 p 6

[Report from Indochina Information Center; italicized words in English]

[FBIS Translated Text] Mae Hong Son Province - Saw Ba Thin, secretary general of *KNU (Karen National Union)*, told PHUCHATKAN that the second round of talks between KNU and SLORC [State Law and Order Restoration Council], which was held at the command headquarters of Burma's Southeastern Military Command in Moulmein at the middle of last month, failed to make any progress. The impasse was the result of the rejection of KNU's call for the restoration of peace in the country through tripartite negotiations, which would be participated in by representatives of the *National League for Democracy, NLD*, all ethnic groups in Burma under the *National Council of Union of Burma, NCUB*, and SLORC.

The KNU secretary general said that SLORC representatives insisted that only a cease-fire agreement is necessary while efforts are made to secure national reconciliation, and they refused to sign any political agreement on the restoration of a permanent peace in the Union of Burma. The KNU representatives disagreed with SLORC's idea and left the meeting, returning home on 14 February.

The KNU delegation to the peace negotiations with SLORC was led by Mahn Shar La Phan, co-secretary general of KNU. The other members of the delegation included Aung San, Tar El, Raw Gel, Saw Ne Soe, and another six persons.

Saw Ba Thin disclosed that KNU will soon organize a tripartite meeting with representatives of the *New Mon State Party — NMSP* and Kayah's *Karenni National Progressive Party — KNPP* to discuss a joint offensive operation in the areas that are currently under the control of the Burmese Government forces. In fact, the tripartite meeting will be held in accordance with the cooperation agreement the three groups signed earlier.

Meanwhile, Rotcha, first secretary general of the KNPP, told PHUCHATKAN during the celebration of the Mon national day on 4 February that KNPP and the other ethnic groups that have signed cease-fire agreements with SLORC will invite SLORC representatives to attend a meeting, during which the latter will be requested to clarify the violation of the cease-fire agreement SLORC signed with KNPP on new year day, when government troops attacked and captured KNPP strongholds. He said KNPP believed that SLORC might tear up the truce agreements it has signed with other ethnic groups at any time in the future.

Rotcha added that the said tripartite meeting will be held at the new military command headquarters of KNU at Poengkhloeng village opposite Umphang District in Tak Province after the peace negotiations between KUN and SLORC.

Saw Bathin disclosed that the latest clash between the forces of KNU and *Democratic Karen Buddhist Army — DKBA* took place at Huai Pu village opposite Sop Moei District in Mae Hong Son Province about three weeks ago when KNU forces were trying to protect the Karen refugees at Mae Lama Luang camp inside Thailand from DKBA harassment.

The KNU secretary general also revealed that KNU soldiers are still conducting regular patrol missions in the vicinity of Manaplaw Camp even though the area is under the control of DKBA; he stressed that KNU is determined to take back the Manaplaw Camp and area back from DKBA.

Burma: KNPP Attacks SLORC Battalion Near Thai Border 23 Feb

BK2402152196 Oslo Democratic Voice of Burma in Burmese 1100 GMT 24 Feb 96

[FBIS Translated Text] Aung Hlaing Oo has filed the following report:

Fighting between the KNPP, Karenni National Progressive Party, and the SLORC [State Law and Order Restoration Council] units has flared up again. Just after 1400 on 23 February, the KNPP units attacked Lagon or Point 3122 Hill near Thai-Burmese border where [SLORC's] No.44 Light Infantry Battalion [LIB] is stationed. The KNPP information minister says five SLORC soldiers were killed and many were wounded in the attack. The ABSDF [All Burma Students' Democratic Front] source says the SLORC's No.421 LIB and No. 424 also used heavy weapons to shell Naunglon Ridge, an area controlled by the KNPP and ABSDF, in January.

Burma: Tin U Says 'Good Results' Achieved at Talks With KNU

BK2502111796 Rangoon Radio Myanmar in Burmese 1330 GMT 24 Feb 96

[FBIS Translated Excerpt] An awards presentation ceremony for the Fifth Army, Navy, and Air Force Military Brass Band Competition to commemorate the 51st Armed Forces Day in 1996 was held at the People's Square [in Rangoon] at 0800 today. Lieutenant General

Tin U, chairman of the lead committee for organizing the 51st Armed Forces Day and chief of staff of the Army, attended, delivered an address, and presented the awards on behalf of the commander in chief of the Defense Services [Senior General Than Shwe]. [passage omitted on attendees and ceremonial procedures]

Lt. Gen. Tin U then delivered an address. In his address, he said: [passage omitted on standard of Burmese military bands] If we look at the situation in our Myanmar [Burma], you can see that the state has outlined 12 objectives and is working very hard to modernize and develop the country. This task cannot be done with one person's ability and strength. We will only reach our destiny when there is unity among the national races.

That is why the State Law and Order Restoration Council [SLORC] has laid down three national objectives [nondisintegration of the union, nondisintegration of national solidarity, and perpetuation of national sovereignty] and has implemented four major tasks since it has taken over the responsibilities of state. The National Convention is now being held to lay down basic principles for the development of a constitution, which is very important with regard to the political situation. Considerable achievements have been made at the convention.

Similarly, in establishing national consolidation, 15 ethnic groups have achieved peace [with the SLORC], and the MTA [Mong Tai Army] Loimaw terrorists have unconditionally surrendered their weapons to the Defense Services. So far, a total of 13,178 MTA terrorists have surrendered, together with 7,797 weapons. Furthermore, two meetings were also held with a group of about 3,000 Shan armed rebels and a group led by KNU [Karen National Union] Bo Mya. Good results [achay anay kaung myar] have been achieved at the meetings.

A separate ministry has been formed to develop the national races and regions where brethren national races are residing, and the ministry has accomplished considerable achievements. [passage omitted]

Burma: More KNU, Rangoon Talks Planned 'in the Near Future'

BK2502144296 Bangkok THAILAND TIMES in English 25 Feb 96 p A3

[Report by Atsawin Phinitwong]

[FBIS Transcribed Text] Tak — Karen National Union (KNU) and the Burmese government have agreed in principle to a ceasefire once some of their major differences have been settled, a KNU official said yesterday.

The official, who was among the peace delegation and speaking on the condition of anonymity, said the two sides still needed to sort out some problems, including the division of administrative areas and some political and economic issues.

Fighting between KNU and Burmese forces has continued for 47 years. The KNU is the last of the country's ethnic minority guerrilla groups to seek peace with the State Law and Order Restoration Council (SLORC), the ruling military junta.

The talks between a 12-member KNU delegation, led by KNU secretary-general Mahn Sha Laphan, and Lt Gen Ket Sein, Commander of the Southeastern Army Region, were held in southern Burmese town of Moulmein and Rangoon between February 14 and 23.

The next round of talks will take place in the near future, though no date has been finalized.

The talks were first opened in December last year, when a lower- level KNU team met SLORC representatives in Moulmein. It was the first meeting between KNU and Rangoon officials since 1963.

Also in December, Burmese troops routed the KNU from most of its strongholds, causing many of them to flee and take refuge along the Thai-Burmese border. Several KNU officers reportedly sought shelter in Thailand.

The KNU's rival Democratic Karen Buddhist Army (DKBA), which has support from the Burmese government, have been launching across- border raids to attack KNU members living in Karen refugee camps Bae Kroa and Shoklo in Tak province's Tha Song Yang district.

Rangoon recently agreed to stop the attacks by the DKBA, which broke away from the KNU in late 1994.

The KNU official said the peace delegation had not met with the DKBA, as earlier news reports claimed.

Brunei, Malaysia & Singapore

Malaysia

Malaysia: Mahathir Leaves for Working Visit to Japan 24 Feb

BK2602094396 Kuala Lumpur NEW SUNDAY TIMES in English 25 Feb 96 p 2

[BERNAMA report]

[FBIS Transcribed Text] Kuala Lumpur, Sat. [24 February] — Prime Minister Datuk Sri Dr Mahathir Mohamed left for Tokyo tonight for a three-day working visit to Japan.

He was seen off at Subang airport by Entrepreneur Development Minister Datuk Mustapha Mohamed and Deputy Home Minister Datuk Megat Junid Megat Ayob.

Dr. Mahathir will meet Japanese businessmen and industrialists and tour high-tech companies.

Malaysia: Mahathir Opposes Expansion of ASEM 'for The Moment'

BK2502131596 Kuala Lumpur SUNDAY STAR in English 25 Feb 96

[Report by Shahanaaz Sher Habib — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur: Malaysia opposes the expansion of Asia-Europe Leaders Meeting (ASEM) at this stage because it will prevent the forum from engaging in constructive dialogue.

Datuk Sri Dr Mahathir Mohamed said yesterday it should be limited to South-East and East Asian and European Union (EU) countries for the moment.

"If it becomes too big and confusing, there will be many conflicting interests and we cannot have a real dialogue. It will become confused and nothing can be achieved," the Prime Minister told reporters after receiving cheques from sponsors for the Tour de Langkawi cycling competition.

Leaders of ASEAN, Japan, South Korea and China and the 15 EU countries will meet at the inaugural ASEM in Bangkok next week.

Australia, New Zealand, India and Pakistan have expressed interest in taking part in the next meeting which will be held in Europe.

Dr Mahathir said: "At the moment, we have to see whether it (ASEM) will work or not before admitting new members."

Asked if it was possible for Australia and New Zealand to be admitted in the future, he said it would have to be seen how much they identified with Asia first.

At the ASEAN Ministerial Meeting in Brunei last July, Malaysia opposed the participation of the two countries for the first meeting.

Malaysia: Mahathir Assails Peres' Rejection of Palestinian State

BK2502132696 Kuala Lumpur SUNDAY STAR in English 25 Feb 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur: Malaysia is unhappy that Israel has rejected the establishment of a Palestinian state, Datuk Sri Dr Mahathir Mohamed said yesterday.

The Prime Minister said Malaysia would establish diplomatic ties with the Jewish state when Tel Aviv recognised the right of the Palestinians.

"Although many Islamic countries have established ties with Israel, we did not because we still have our suspicions," he told reporters after receiving cheques from sponsors for the Le Tour de Langkawi cycling competition.

On Friday, Israel Prime Minister Shim'on Peres said he rejected the establishment of a Palestinian state and said it was not on the agenda.

Dr Mahathir said Peres could have made the remark because of the pending elections in the country. "But then such a statement ties them down," he added.

"If they want to recognise Palestine at a later date, they cannot do it because they are bound by their word," he said.

Dr Mahathir said Peres' statement could affect the Middle East peace process and undermine Palestinian leader Yasir 'Arafat's credibility.

"The support of 'Arafat depends on the level of freedom he could bring to his people."

Malaysia: Mission in Colombo on 'Alert' After LTTE Threat

BK2602110396 Kuala Lumpur UTUSAN MALAYSIA in Malay 26 Feb 96 pp 1, 2

[FBIS Translated Excerpt] Kuala Lumpur, 25 Feb — The Sri Lankan Government will be requested to provide full protection for the employees of the Malaysian High Commission and other Malaysians residing in Colombo following a report that cited a threat issued by the Liberation Tigers of Tamil Eelam [LTTE].

Foreign Ministry Secretary General Tan Sri Ahmad Kamil Ja'afar said the Wisma Putra [Foreign Ministry] has instructed the Malaysian High Commission in that country to be placed on a state of alert following this latest development.

According to Ja'afar, the Malaysian Government will take any action that it deems necessary to protect its citizens after receiving a report on the latest development.

He said, however, that the authorities have yet to receive a comprehensive report on the issue. He added that he requires additional information from the Sri Lankan

Government and the Malaysian High Commission in the country.

When contacted at his residence here today, he said: "I have read the foreign news report regarding the complaint, but I have yet to receive any official report on it.

"We will take every appropriate and necessary measure for their safety. We will request that the Sri Lankan Government provide full protection to the (High Commission) officials and their families."

Ahmad Kamil said this when commenting on the news report from Sri Lanka that said that the Malaysian High Commission was one of the two foreign diplomatic missions threatened by the LTTE.

Japan was the other country, which received a similar threat from the LTTE.

The "target" of the Malaysian High Commission was set in connection with a recent warning issued by the Home Ministry that it would rescind the permanent residence of anyone involved in any protest or found to be collecting funds for the LTTE. [passage omitted on REUTER report]

Malaysia: Reports of LTTE Threats Against Sri Lanka Mission Denied

BK2602094596 Kuala Lumpur THE STAR in English 26 Feb 96

[Report by Leslie Lau — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur—The Malaysian High Commission in Sri Lanka has denied reports that it allegedly received death threats from a group believed to be a front for Tamil Tiger separatist guerrillas.

Malaysian High Commissioner Kadir Deen said from Colombo yesterday there was no truth to a front-page story in the Sri Lankan SUNDAY TIMES yesterday that a group, calling itself the Ellalan Force, had threatened the mission. "I would like to categorically deny that either my staff or I had received any threats," said Kadir.

REUTERS quoted the newspaper as saying that the Malaysian and Japanese missions had received death threats because of their support for the Colombo Government.

It said the Japanese Embassy was warned not to issue a visa to a Tamil Member of Parliament while the threats against the Malaysian mission were provoked by reports that the Malaysian Government had ordered a crackdown on open support for the Liberation Tigers of Tamil Eelam (LTTE).

Deputy Home Minister Datuk Megat Junid Megat Ayob said last week that the Government would not condone any demonstration which supported the terrorist activities of the LTTE.

He also said the resident visas of foreigners involved in pro- LTTE demonstrations would be revoked and those taking part in demonstrations in support of the guerrillas would be charged with causing unrest.

Malaysia is the second country after India to have ordered such a crackdown.

Kadir reassured Malaysians and the relatives of those working at the mission in Colombo that there was no immediate danger to Malaysians.

Singapore

Singapore: Premier Goh Hosts Banquet for Belgian Counterpart

BK2602092896 Singapore BUSINESS TIMES in English 26 Feb 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Asia offers growth for Belgian exports and opportunities for Belgian expertise and equipment to participate in infrastructural projects, said Prime Minister Goh Chok Tong last night.

He said that just as companies from the larger European countries like Germany, UK and France are increasing their presence in Asia, businessmen from smaller European countries can also do the same. "There is no lack of finance in Asia for viable projects or partners for joint ventures," he said at a dinner in honour of visiting Belgian Prime Minister Jean-Luc Dehaene.

Singapore and Belgium have many things in common. For example, both are small states with large neighbours. They also have many multinational corporations using Brussels and Singapore as their base in Europe and Asia respectively.

"These common characteristics have contributed to a similar approach we both take in handling regional and international relations," said Mr Goh.

"Both our countries believe in regional cooperation as vital to our national security.

"Our respective role in ASEAN and the European Union mirrors one another. We both take a pragmatic and open approach to problem solving and we do not shy away from taking bold initiatives."

An example of such an initiative is the coming Asia-Europe Meeting (ASEM) in Bangkok on March 1-2.

Mr Dehaene said that ASEM should discuss political, social and cultural questions and not just confine talks to economic issues.

On bilateral economic relations, he hopes that there will be more partnerships between Belgian and Singapore companies in Asian markets.

Cambodia

Cambodia: Ministers React 'Warily' to U.S. Drug Country Label

BK2502101196 Hong Kong AFP in English 0444 GMT 25 Feb 96

[FBIS Transcribed Text] PHNOM PENH, Feb 25 (AFP) — Cambodian officials reacted warily Sunday to their country's new designation by the US government as a supporter of drug trafficking which could lead to an automatic cut off of US aid.

On Saturday, President Bill Clinton added two countries, including Cambodia, to Washington's list of countries that are considered to be "major illicit drug producing or drug transit countries."

"The heroin trafficking problem in Cambodia is severe," Clinton wrote in a letter to Congress. "Narcotics-related corruption also seems to be a problem in government and business circles."

Last year, the former deputy chief of Cambodia's national police estimated that at least 600 kilograms (1,320 pounds) of heroin were being smuggled through Phnom Penh each week.

He and others, including outspoken dissident and former cabinet minister Sam Rangsi, have said that Cambodia is increasingly becoming a "mafia state" run by businessmen in collusion with corrupt government officials.

Cambodia's Foreign Minister Ing Huot allowed that narcotics trafficking, especially in heroin, was a problem but said the government was working to fight and eliminate it.

"We recognize that people are trafficking in drugs, but we are working very hard to fight it and we have the cooperation of many other countries including the US," he told AFP.

Several governments, notably the United States and France, have been working for some time with Cambodia's cash-strapped, ill-equipped and poorly-trained police and customs authorities on narcotics interdiction.

"But our means are limited and we need the help of the United Nations and foreign countries," Ing Huot said. "We want to make sure that this stops, this is our position, we have made it clear."

"If America feels that this is a very bad problem, they should help more," he said.

Minister of Information Ieng Muli agreed, saying: "We are not a drug producing country, our people are not consuming drugs." "Drugs cross through our country, but eliminating that does not depend only on Cambodia but on other countries as well.

"This is a new problem for Cambodia and we recognize that there is a need to teach our police more and have more drug laboratories so we can deal with that, we especially need more means to protect ourselves."

Under the US Foreign Assistance Act of 1961, the president must identify each country that produces illegal drugs and/or participates in the trafficking of drugs destined for the United States.

By March 1, Clinton must decide whether the countries on the list are still eligible for US aid based on whether the United States has evidence they are conducting an efficient fight against illegal drugs and drug trafficking.

The president may waive the aid cut-off if he deems it to be in the US national interest to continue funding.

The countries on the White House list released Saturday are: Afghanistan, Bahamas, Belize, Bolivia, Brazil, Burma, Cambodia, China, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Hong Kong, India, Iran, Jamaica, Laos, Lebanon, Malaysia, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, Syria, Taiwan, Thailand, Venezuela and Vietnam.

Cambodia: Protest at Australian Embassy Over Evans' Remarks

BK2502093096 Melbourne Radio Australia in English 0500 GMT 25 Feb 96

[FBIS Transcribed Text] Hundreds of students have staged a demonstration in front of the Australian Embassy or the Australian ambassador's residence today in the Cambodian capital, Phnom Penh. The students were protesting against remarks by Australian Foreign Minister Gareth Evans criticizing Cambodia's judicial system.

Mr. Evans questioned the 10-year prison sentence handed down in absentia against exiled Prince Norodom Sirivut on charges of plotting to assassinate Copremier or Co-Prime Minister Hun Sen. The Australian foreign minister questioned whether there had been any substantial evidence to justify the conviction. The protesting students have accused Australia of trying to interfere in Cambodia's internal affairs.

Australia has been a major aid donor to Cambodia, and Mr. Evans himself is credited with helping to bring about a peace settlement, which led to the UN-supervised elections in 1993.

[Melbourne Radio Australia in English at 0600 GMT on 25 February carries a one-minute recorded report by correspondent Evan Williams on the demonstrations.

Williams reports: "Condemning what they called Australia's interference in Cambodian internal affairs, the students held an organized but peaceful rally for just over one hour. Placards were nailed to trees; obscenities, and accusations of Australia supporting terrorism in Cambodia were scrawled on the residence's wall. They delivered a statement to Ambassador (Tony Kevin), accusing Gareth Evans of supporting hostile politicians here, forcefully criticizing his comments on Prince Sirivut's trial. They demanded the envoy debate their concerns; he instead invited them to send a delegation to the Embassy. He says the Cambodian Government is clearly irritated by Gareth Evans' statement, and the rally did not look like a spontaneous upsurge of student opinion."]

Cambodia: Government Spokesman Defends Sirivut Conviction

BK2302064396 Hong Kong AFP in English 0613 GMT 23 Feb 96

[FBIS Transcribed Text] PHNOM PENH, Feb 23 (AFP) — A Cambodian Government spokesman Friday defended the conviction of Prince Norodom Sirivut, who was sentenced in absentia Thursday to 10 years in prison for allegedly plotting to assassinate co-Premier Hun Sen.

Human rights activists and foreign lawyers have complained that the evidence against King Norodom Sihanouk's half-brother was not nearly enough for a conviction and that the proceedings were evidence that Cambodia's courts were not independent.

They noted that Hun Sen said earlier this month that the prince, who has proclaimed his innocence, could return from exile in France to stand trial but that he would spend a long time in prison afterward if he did.

But information ministry spokesman Sieng Lapresse said the government was in no way involved in the case and had not interfered in the judicial process.

"The executive branch gave this to the judicial branch," he told reporters at a press briefing. "The outcome of the procedure had nothing to do with the government.

"If the prince's lawyers think that there was interference or something was done wrong, they should complain or appeal."

Prince Sirivut, Cambodia's former foreign minister who was exiled in December after being arrested on Hun Sen's demand in November, called the trial a "mockery of justice" and said it "shattered" the dream of political plurality in his home country.

Speaking in Paris, the 44-year-old prince said he had not yet decided whether to file an appeal, but added: "Given this mockery of justice, it does not really interest me."

The prince was convicted of criminal conspiracy and illegal possession of weapons.

The prosecution evidence included testimony from two witnesses who said the prince had told them he had formed a group of people who would act "when he gave them the green light," but included no evidence of who, where or how many people had joined the alleged conspiracy.

Cambodia: Ranariddh Laments Sihanoukville Development Delay

BK2302111096 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 23 Feb 96 pp 1,3

[Report by Dararit]

[FBIS Translated Text] Prince Krompreah Norodom Ranariddh, first prime minister of the Royal Government of Cambodia [RGC], has been very disappointed with the Malaysian firm Ariston, which has failed to redevelop Sihanoukville at a cost of over $1.3 billion.

The Ariston group signed a $1.3 billion deal with the Royal Government to rebuild the infrastructure in Sihanoukville, including an international airport, roads, water and power supply facilities, a hotel, and a tourist resort. Since the signing two years ago, however, the group has done nothing to show that it has already taken concrete steps to begin the redevelopment. This proves that the Ariston firm has failed to speed up its project adequately as promised.

Prince Krompreah Norodom Ranariddh expressed his disappointment when he led a fact-finding mission last week to inspect development in Sihanoukville. The prince said it was still possible to develop roads, hotels, and water and power supply facilities in the city, despite the Ariston firm's hesitation. He added, however, that the RGC still has a budget for the infrastructure development in Sihanoukville, with or without Ariston.

The prince krompreah said with deep disappointment that the delay by the Ariston firm has hindered the plans of a great many companies to invest, including the Malaysian corporation YTL, which was awarded a contract in early March 1995 to redevelop the seven-storied, $15 million hotel Independence in Sihanoukville and to build sidewalks near the hotel.

It is not clear whether the Ariston firm is attempting to make a cake without flour, since there are countless numbers of companies coming to Cambodia with that aim. In other words, they spend some money to win contracts from the RGC, which they sell to other companies for a profit without spending a large amount. Nevertheless, the Ariston firm, which the RGC has regarded as a famous and reliable company, will not frustrate the government in any case.

Cambodia: Muong Mondel Denies Plans To Leave KNP

BK2302134496 Phnom Penh MONEAKSEKA KHMER in Cambodian 16-17 Feb 96 pp 1, 3

[Report by Sopheak]

[FBIS Translated Excerpt] Referring to rumors that he, Muong Mondel, deputy leader of the Khmer Nation Party [KNP], would leave the party, Muong Mondel told local and foreign reporters at a news conference on 8 February 1996 at 0800 at the party's office that "as far as I am concerned, I have no plans to leave the KNP." [Passage omitted on difference of views between Muong Mondel and another KNP official Nguon Soeu]

At this news conference, Mondel also said that "the government is the one making the law but not abiding by the law." All we have done is in accordance with the Constitution; the people are witnesses. Once I (Mondel) return from the United States, I will ask for a meeting (for a round table discussion) with the government representative to allow the people to know what their rights and freedoms are.

In the future, if the government still refuses to recognize the KNP as a legitimate party we will make democratic demands to consolidate the principles of the KNP, which is being supported by many Cambodian people (over 75,000 persons) and led by Sam Rangsi and some other democracy-loving persons.

Muong Mondel also disclosed that the KNP will set up a television and an FM radio stations and that by March or April at the latest he will set up an FM radio station in Phnom Penh. The KNP executive committee is preparing documents and will submit them to the Ministry of Information and the government for permission to open the radio and television stations. But, after submitting the application forms, even if the government does not allow us to operate, we will proceed, no matter what, to set up our broadcasting stations for the people to listen to.

Cambodia: Khmer Rouge Guerrillas Kill 13 Government Soldiers

BK2402102096 Bangkok BANGKOK POST in English 24 Feb 96 p 2

[Unattributed Report]

[FBIS Transcribed Text] Aranyaprathet — Thirteen Cambodian government soldiers were killed yesterday in two separate attacks by Khmer Rouge guerrillas.

Both incidents happened in the border district of Laem Nong Ian opposite Tambon Tha Kham.

In the first incident guerrillas blasted a Cambodian government oil truck taking fuel to frontline government army units in Phnum Malai.

The oil truck was hit by a rocket-propelled grenade. The driver and his assistant were both killed in the attack, a Thai Border Patrol Police source said.

In a second incident, 11 government troopers were killed and others wounded when they accidentally stepped on a claymore mine planted by the guerrillas.

Since the start of a major offensive on January 15, Phnom Penh forces have captured guerrilla bases in Nong Men, Nong Pen and Nikum Mak Hoen.

On the Thai side of the border, the army have imposed travel restrictions in five villages of Tambon Tha Kham. Residents are now required to carry ID cards which can be examined at any time by authorities.

The measure aims to deter Cambodians from sneaking across the border.

People who cannot produce their ID cards will be detained and fined 100 baht.

Cambodia: Khmer Rouge Claims 134 Enemy Troops Killed, Wounded

BK2302094496 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 22 Feb 96

[FBIS Translated Text] Here is a report on the attacks in which 134 enemy soldiers were killed or wounded on the Sisophon-Poipet battlefield:

Four enemy reconnaissance troops were killed and nine others wounded on 16 February when they were intercepted by the National Army combatants and poor peasants at Boeng Reang, Chramoh Chruk, Daeum Thnuol, and Daeum Cha, and when they stepped on our mines in the area between the Takeo and Kdei weirs. We also managed to plant 58,800 punji stakes, 200 poisonous stakes, and many hundreds of anti-tank and anti-personnel mines in these areas.

National Army combatants joined hands with poor peasants on 17 February to intercept and attack the enemy invading troops at the Mak Haeun weir, on the stretch of road between the Khsach and Phies Khluon weirs, and in the area between Boeng Kbal Krabei and Mak Haeun. We killed 15 invading troops and wounded 13 others, and destroyed 10 B-40 rocket launchers, four AK assault rifles, an RPK, and a field radio. We also planted 200 poisonous stakes and many hundreds of assorted mines there.

National Army combatants joined forces with poor peasants on 18 February to intercept the invading forces within our strategic weapon and mine networks at Chramoh Chruk, near Mak Haeun, and in an area east of Mak Haeun. We killed 24 enemy soldiers and wounded 24 others, destroyed four AK assault rifles, two B-40 rocket launchers, and two RPK, and planted many hundreds of mines.

On 19 and 20 February, 19 enemy soldiers were killed and 26 others wounded — a commander of the 3d Division seriously — when they were intercepted and attacked by National Army combatants and poor peasants in the areas east of Mak Haeun, between the 35 weir and Mak Haeun, east of the Khsach weir, and at Ta Tung, and when they stepped on our mines in the area between Kdol and Ta Hen and near Yeay Ap. One of their T-55 tanks exploded in flames, and another was damaged when they drove over our mines. A [word indistinct] tractor and some war materiel were also destroyed.

We killed or wounded a total of 134 enemy soldiers — including a commander of the 3d Division, who was seriously injured — destroyed one tank and damaged another, and demolished a tractor.

Cambodia: Khmer Rouge Claims Success Against Government Forces

BK2402121896 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 23 Feb 96

[FBIS Translated Excerpt] On 22 and 23 February 1996, our army and people used guerrilla and poor people's war tactics to decimate the troops of the 4th Military Region in northern Cambodia in the north of Preah Vihear Province. We killed more than 200 enemy troops and incapacitated more than 300 others. In sum, we killed or wounded over 500 soldiers and destroyed four tanks and armored vehicles, a 152 mm artillery piece, and two DM guns. These attacks took place at Cha, Kampuot, and (Ney Ta Aom) (?in the vicinity of) Choam Khsan. The enemy troops that were destroyed belonged to the 2d Brigade, particularly the 4th, 5th, and 46th Regiments. The enemy troops were killed or wounded through the use of guerrilla and poor people's tactics, featuring networks of stake pits, booby traps, and mines planted along main and secondary enemy transport lines. More importantly, the enemy was short of drinking water. They were poisoned by the water and wounded by poisoned stakes. [passage omitted]

Cambodia: Khmer Rouge 'Prime Minister' Interviewed

BK2402115596 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 23 Feb 96

[Interview with Khieu Samphan, prime minister of the Provisional Government of National Union and National Salvation of Cambodia and chairman of the Cambodian National Union Party, by an unidentified station correspondent; place, date not given — recorded]

[FBIS Translated Text] [Correspondent] Greetings, Excellency Chairman. There is no doubt whatsoever among our nation and people at present that communist Vietnam and the alliance have cooperated to destroy the Paris agreement and continue fueling communist Vietnam's war to kill the Cambodian nation and people. The world clearly realizes this. Please discuss some views and experiences resulting from this situation.

[Khieu Samphan] Thank you. The evolving situation clearly shows the following:

1. The communist Vietnamese aggressor forces have not withdrawn from Cambodia; they are still in control and occupying Cambodia.

2. The administration fully remains a communist Vietnamese puppet. Communist Vietnam's puppets, with Hun Sen as the protagonist — who was brought in on communist Vietnam's tanks and propped up in Phnom Penh on 7 January 1979 — remain the instrument of the communist Vietnamese war of aggression to kill our nation and people, just as it was prior to the Paris agreement of October 1991.

3. Cambodia currently has no peace, independence, sovereignty, or territorial integrity whatsoever.

[Correspondent] In other words, the Paris agreement has not been implemented at all.

[Khieu Samphan] No. The Paris agreement was just a deceptive piece of paper. Who was it meant to dupe? It was chiefly meant to deceive Democratic Kampuchea. In order to deceive Democratic Kampuchea into entering communist Vietnam's cage so the latter could destroy Democratic Kampuchea, the United States and the alliance had to include other forces. These forces have all been destroyed by communist Vietnam.

As for Democratic Kampuchea, it made great efforts to assist in properly implementing the Paris agreement. It made efforts in the Supreme National Council [SNC] and cooperated with UNTAC [UN Transitional Authority in Cambodia] and with the representatives of the five major powers in Phnom Penh. Despite our efforts, other people remained indifferent. First, UNTAC refused to check and ensure that the communist Vietnamese aggressor forces were withdrawn from Cambodia. Second, the SNC chaired by Prince Norodom Sihanouk was not allowed to play any role.

Thus, day after day, we clearly realized that we were tricked into entering communist Vietnam's cage so that the communist Vietnamese could cut our throats. We refused to allow this. Our nation and people and our combatants and cadres have made immense sacrifices in their struggle against the communist Vietnamese aggressors, expansionists, and race exterminators. We have not done this to enter communist Vietnam's cage, but to defend and safeguard the nation and race and ensure that there is genuine peace and genuine national reconciliation within the framework of an independent and sovereign Cambodia with territorial integrity.

If Democratic Kampuchea entered communist Vietnam's cage, as it was pressured to do, Democratic Kampuchea's forces would have been destroyed and there would have been no resistance forces left. There would have been no hope of saving the nation. The fate of the nation, people, and race would have been sealed. Our Cambodia would have become a second Kampuchea Kraom [former Cambodian territory now part of southern Vietnam]. Communist Vietnam has dispatched ethnic Vietnamese to annex Cambodia — there are already 5, 6, 7, or 8 million of these Vietnamese. Our children have become those of Nguyen, Ngoc, and Truong.

This clearly shows who cheated who, who is legitimate and who is not, and who should be branded as murderers exterminating the Cambodian race and as war criminals and who has resolutely fought to defend the nation and race. It is communist Vietnam and Hun Sen, the puppet of communist Vietnam, who are the great murderers exterminating the Cambodian race. It is the alliance and its lackey, the traitorous two-headed government, who have collaborated with communist Vietnam to continue fueling the war to kill the Cambodian nation and people. It is they who should be judged harshly in the eyes of the Cambodian nation and people and of all mankind. This is a truth that history has clearly written in the blood and flesh of our nation and people. No one can falsify or alter this, in Cambodia or in the world.

[Correspondent] How have Democratic Kampuchea and the Cambodian National Union Party [CNUP] seen through the dark schemes of the enemies of our nation and people?

[Khieu Samphan] We have nothing but a spirit of resolute love for the nation and people under all circumstances. Based on this spirit, we have clearly set the direction of our struggle as stated in the political platform of our CNUP; namely, for an independent, sovereign, peaceful, unified, and neutral Cambodia with its territorial integrity. Our political platform is not just a piece of paper meant to deceive. We will strive to do whatever serves this goal. We will absolutely not do anything that is detrimental to this goal; we will absolutely oppose it under any circumstances.

Another key conviction of ours is this: We struggle for genuine national reconciliation and genuine peace within the framework of an independent, sovereign, peaceful, unified, and neutral Cambodia with its territorial integrity and with a liberal economic regime and a liberal democratic regime. We are not struggling just to gain power like communist Vietnam, the alliance, and a handful of their traitorous puppets and lackeys. Therefore, we are not alone. It is they who are isolated. This has been clearly confirmed.

[Correspondent] So in the struggle to get the Paris agreement implemented, our nation and people have a lot of experiences.

[Khieu Samphan] Yes. In my view, the sacrifice in flesh and blood of our nation and people in successive struggles to save the nation, as well as during the struggle to implement the Paris agreement, have provided invaluable experience to our Provisional Government of National Union and National Salvation, our CNUP, all our nation's forces of all political tendencies, and our entire nation and people at present and for generations to come. In particular, these experiences have defined the border between the aggressors on the one hand and our nation and people, the victims, on the other; between friends and enemies; and between traitors and nationalists.

Indonesia

Indonesia: Elite Army Unit Dispatched to Irian Jaya

BK2302120896 Jakarta ANTARA in Indonesian 0827 GMT 23 Feb 96

[FBIS Translated Excerpt] Jakarta, 23 Feb (ANTARA) — KOSTRAD [Army Strategic Reserve Command] has dispatched one battalion of troops to Irian Jaya to assist in the operation to free the hostages at Mapnduma.

"Kostrad has dispatched the 32d Airborne Battalion to Irian Jaya," KOSTRAD Commander Major General Tarub told reporters after he reported to President Suharto at the Cendana Road residence Friday on the plan to mark the founding anniversary of the elite Army unit.

Tarub said, even though his troops are ready to assist the rescue operation, the decision rests with Maj. Gen. Dunija, commander of the Trikora Eighth Regional Military Command, in his capacity as commander of the rescue operation.

Thus far, it has been recognized officially that troops attached to KOPASSUS [Special Forces] and the Trikora Eighth Regional Military Command in Irian Jaya and Maluku are involved in the operation to free the hostages in Irian Jaya.

Maj. Gen. Tarub, who once served as Trikora commander, said the Irian Jaya rebels are believed to have several automatic weapons such as M-16's, the standard assault weapon used by ABRI [Armed Forces of the Republic of Indonesia] personnel.

"The rebels once ambushed an ABRI patrol and seized the M-16's," Tarub said. He stressed, however, that the rebels have never received foreign arms shipments.

KOSTRAD, which has between 25,000 and 26,000 troops, will celebrate its 35th founding anniversary on 6 March at a ceremony to be held in Cilodong, Bogor.

Maj. Gen. Tarub paid a courtesy call on President Suharto because the head of state served as KOSTRAD's first commander. Tarub is KOSTRAD's 19th commander. [passage omitted]

[Hong Kong AFP in English at 1132 GMT on 23 February, in a Jakarta datelined, report says: "Indonesia is preparing to use force against Papuan separatist rebels on Irian Jaya who have kidnapped two groups of foreigners in the remote province since the beginning of the year.

"Commander of the Strategic Forces, Major General Tarub, speaking to the press Friday after meeting President Suharto, said a paratroop battalion, based in South Sulawesi, was now 'ready for use anytime' to free the 12 hostages — six of them European — held since January 8 in central Irian Jaya."

According to AFP, Indonesia's "new hardline stance" was precipitated by the kidnap of two gold prospectors Tuesday evening in an area previously believed to be outside the influence of the Free Papua Movement.

AFP reports: "The two gold prospectors spent only a few hours in captivity before escaping, but the incident has provoked further unease among western diplomats in Jakarta.

"'This has forced us to question the need to maintain the presence of our citizens in Irian Jaya,' said a high-ranking diplomat after consulting with the ambassadors of nations which have had their citizens kidnapped."

AFP adds: "The announcement that the battalion of paratroopers was on alert status came as a controversy erupted over the role of the International Committee of the Red Cross (ICRC) in attempts to reach the 12 hostages held in Jayawijaya district in central Irian Jaya.

"The five-person ICRC delegation based in Wamena, in the centre of Irian Jaya, was publically criticized by the military for refusing to cooperate with them in their attempts to reach the kidnappers.

"The military also confirmed that an ICRC jungle mission to locate the kidnappers had failed, although the international organisation denied it had launched any mission and expressed 'surprise' at the military's statements."]

Indonesia: Irian Jaya Kidnappers Ask To Meet UK, Dutch Envoys

BK2502100996 Jakarta ANTARA in Indonesian 0410 GMT 25 Feb 96

[FBIS Translated Text] Wamena, 25 Feb (ANTARA) — Efforts to secure the release of 13 members of a WWF [Worldwide Fund for Nature] research team taken hostage by a GPK [security disturbance movement] group led by Daniel Yudas Kogoya in the jungle near Mapnduma in the (?Tiom Subdistrict), Jayawijaya District, of Irian Jaya are looking brighter after an ICRC [International Committee of the Red Cross] team succeeded in contacting and meeting with Kogoya.

Infantry Colonel Purnawa, commandant of the 172 [place name indistinct] Military Precinct Command, said in Wamena on Saturday night that the ICRC team met with Kogoya's secretary on Friday morning (23 February) in [place name indistinct], located west of Mapnduma.

The two will also [words indistinct].

He said Kogoya's secretary conveyed several messages from Kogoya to the ABRI [Armed Forces of the Republic of Indonesia] during the meeting. According to one of the messages, the hostages are safe, but the location of the hostages has not been disclosed.

Kogoya's deputy added that Kogoya asked Britain and the Netherlands, whose citizens have been taken hostage, to send their representatives to join the ICRC in securing the release of the hostages.

The ICRC team also received letters from hostages, in which they asked for required medicine—particularly medicine for Martha Klein, who is pregnant—as well as food.

According to the military precinct commandant, who is a subordinate of the commander of the Trikora 8th Military Region Command, the officer in charge of an operation to secure the release of the Lorentz '95 team, the secretary gave the ICRC team a roll of film containing pictures of the hostages to convince the ICRC and the ABRI.

In a message, Kogoya promised to meet the ICRC team on Saturday morning (24 February), and he kept his promise.

During the meeting on Saturday morning, Kogoya conveyed Kelly Kwalik's desire to meet the ICRC team as well as British and Netherlands representatives to discuss the release of the 13 hostages.

Commenting on Kwalik's request, the military precinct commandant said there should be a security guarantee for them.

He said the ABRI was employing persuasive means [words indistinct].

Accordingly, if Kwalik releases the hostages, the ABRI will withdraw its troops from Mapnduma and the surrounding areas in accordance with the regional military commander's promise.

He added: The regional military commander will keep his promise, and we will give Kwalik the commander's recording, if necessary.

Commenting on cooperation between the ICRC and the ABRI in securing the release of the hostages, the military precinct commandant said their cooperation was good and should be enhanced.

Meanwhile, Meyer, a member of the ICRC team, said the ICRC was undertaking a humanitarian task and not meddling in political affairs.

According to Meyer, the ICRC team is, therefore, acting as mediator between the GPK and the ABRI in Irian Jaya and is trying to coordinate with the local security apparatus, because the ABRI is playing (?the main role) in the situation.

The ICRC team on Sunday morning left for the hinterland of Mapnduma contact the GPK again.

Indonesia: Hostage Decision 'Rests With' GPK Supreme Leadership

BK2502154096 Jakarta ANTARA in Indonesian 1251 GMT 25 Feb 96

[FBIS Translated Excerpt] Jayapura, 25 Feb (ANTARA) — The release of 13 researchers of the Lorentz 1995 team taken hostage by a GPK [security disturbance movement] group led by Daniel Yudas Kogoya and Kelly Kwalik will depend on the supreme leadership of the Papua New Guinea-based GPK.

Infantry Colonel Maulud Hidayat, head of the Information Service of the Trikora 8th Military Region Command, told ANTARA in Jayapura on Sunday evening that Kogoya made these remarks during the second meeting with a joint rescue team in Obkda, Tiom Subdistrict, Jayawijaya District, Irian Jaya on Sunday morning (25 February).

In the meeting, which lasted from 0730 to 1030 East Indonesian Standard time, the GPK was [words indistinct], and the ABRI was represented by the International Committee of the Red Cross [ICRC], which is acting as a mediator.

After an exchange of views and lengthy talks, Kogoya said a decision to release the hostages could not be made in the field. The GPK leader, who is a native of the Baliem Valley, said he had no authority to release the hostages because the decision rests with the Papua New Guinea-based GPK supreme leadership. [passage omitted]

Kogoya's latest remarks dashed hopes that the hostages would be released this week. During an earlier meeting on Saturday morning (24 February) with the ICRC at Gese Lama, which is about [figures indistinct] km from Mapnduma, Kogoya had hinted at the possibility.

During the first meeting, Kogoya promised to give a gift to the ICRC. The gift had been interpreted as the release of one or two hostages at the second meeting.

ANTARA reporters reported from Wamena that the ICRC team looked disappointed upon arrival at Wamena Airport from Mapnduma aboard an Airfast helicopter. As usual, they refused to talk to reporters.

Indonesia: Political Parties Prepare for Next Election

96SE0014C Jakarta GATRA in Indonesian 23 Dec 95 pp 21-24

[FBIS Translated Excerpt] Offices of the sociopolitical organizations (ORSOSPOL's) have begun to get busy with the activity of "inventorying" candidates for the 1997 general elections. The elections are still two years off, but candidate lists must be submitted to election committees at district up to Jakarta levels by August 1996. In other words, the ORSOSPOL's are using these last eight months to ready their candidates.

On 22 November, GOLKAR [Functional Group], the largest ORSOSPOL, issued criteria for screening its candidates. The criteria were in the form of a directive from the GOLKAR DPP [Central Executive Council]. The council ruled that GOLKAR candidates for the DPR [Parliament] must be no older than 65. Also, any person who has been a DPR member for four terms (20 years) may not be nominated again. These criteria became a subject of public talk last week. The issue is that some well-known people, such as DPR Speaker Jacob Tobing, Oka Mahendra, and Arnold Baramuli, will be excluded from nomination by these criteria.

GOLKAR apparently wants to rejuvenate its DPR membership. The GOLKAR DPP directive ruled that only 40 percent of current members of the Development Function Faction (FKP) will be renominated. The remaining 60 percent will be excluded. Of the current FKP membership of 282, 170 will not be renominated for the next election.

This is interesting news, because reactions can be expected from some of the people being excluded. The point is, membership in the DPR has special amenities. Salaries and facilities are ample, and members are respected. A few members may consider membership a way to crusade. It is not strange that the most exciting issue is the drafting of candidate lists. Whispering, intrigue, and even slander swirl around the candidates. Moreover, this involves politics. These exclusions are often connected to questions about groups no longer in favor. Therefore, we write this story as the *Main Report*. [passage omitted]

Indonesia: More on Political Parties Preparing for Election

96SE0014D Jakarta GATRA in Indonesian 23 Dec 95 pp 21-24

[FBIS Translated Text] As the recess approached, the chairman of the DPR FKP, Achmad Moestahid Astari, gathered his members for a plenary session. Of the 282 members of the FKP, 200 attended the meeting in a conference room at the DPR Building in Senayan on Wednesday of last week [13 December]. From the podium, Moestahid provided guidance for faction members who would be using the recess to visit the areas from which they are selected.

The closed meeting, which was marked by an undercurrent of whispering, suddenly became quiet when Moestahid spoke of Directive Number 169/XI/1995 of the GOLKAR DPP, which had been signed by General Chairman Harmoko and Secretary-General Ary Mardjono on 22 November. It was a fact that the decision affected the future of FKP members. "Only about 40 percent of FKP members for the 1992-97 term would be retained for the 1997-2002 term," said an FKP member, citing Moestahid's words. In other words, 60 percent of current members, or about 170 people, will be excluded.

The directive contains guidance for drafting potential GOLKAR candidate lists for the DPR and MPR [People's Consultative Council] for the 1997-2002 term. There are general criteria that are not very different from those for the previous term: Candidates must come from track A (ABRI [Indonesian Armed Forces]), track B (the bureaucracy), or G (mass organizations under the GOLKAR umbrella). There is also the PLDT (achievement, dedication, loyalty, and good reputation) requirement, which applied to the last term.

What is interesting is that for the 1997-2002 term, the GOLKAR DPP has issued special criteria, namely that membership in the FKP is for a maximum of four terms, that the maximum age at the moment of appointment is 65, and that candidates must be deemed to have capability and acceptability in the regions from which they are selected.

Thus, a number of FKP seniors, including DPR/MPR Speaker Wahono, who was also GOLKAR general chairman from 1998 [as published] to 1993, will apparently have to excuse themselves from Senayan after the 1997 general election. He will be 71 in March 1996. Wahono declined to comment on the new policy. "Sorry, but I have not read the directive," he said. GOLKAR General Chairman Harmoko strongly denied rumors that one of the purposes of the new directive was to push Wahono aside. "That is not so. We did not look at individual people. We looked at the system. Everyone must follow the system," Harmoko told GATRA.

Besides Wahono, there are several other names at GOLKAR Headquarters who must be removed from the FKP roster. One of them is Warno Hardjo, one of the eight GOLKAR DPP directors. This leader from SOKSI [Central Organization of Indonesian Employees] has served four terms at Senayan. The same is true of Aulia A. Rahman, one of the deputy secretaries-general of the GOLKAR DPP. In addition, H. Ismael Hasan, also one of the organization's directors, must relinquish his seat in the DPR. He has passed the 65-year age limit. FKP Chairman Moestahid Astari himself has served for four terms in the legislative body.

Besides those people, there are a number of prominent figures who must step aside to give opportunity to new people. They include Haji Arnold Baramuli, the one who uncovered the 1.3-trillion-rupiah BAPINDO [Indonesian Development Bank] scandal in 1994. Also among them will be Dr. Albert Hasibuan, of the National Commission on Basic Human Rights; Bomer Pasaribu, chairman of the All-Indonesia Labor Federation (SPSI); Imam Sudarwo, former SPSI chairman; and vocal FKP member Oka Mahendra. Overall, those who are blocked by limits on age and length of service total 40 people, about 14 percent of all.

"As a loyal GOLKAR person, I submit," said Arnold Baramuli, 65. The businessman and boss of the Poleko Group has had four terms. Baramuli commented on the age limit issue, however. "Those who are called politicians are wiser as they grow older, increasingly have no interests of their own, and have increasing numbers of people behind them," said the former chairman of one of the GOLKAR DPP departments in the 1988-1993 term.

Jacob Tobing, 52, a cadre who has served five terms in the FKP also feels uncomfortable with the limits. "The management of a political organization and the management of aspirations cannot be entirely mathematical," said Jacob, who served as a GOLKAR DPP director from 1988 to 1993. He objects to applying the limit of four terms inflexibly. "If a person is still needed, that should be considered," he said. He admits that he himself has no interest in it, however. "I want to try another field," he said.

Although Moestahid loses his seat after four terms at Senayan, he fully supports the leadership's decision. "There is no problem for us. This is actually proof that GOLKAR has been successful in producing the cadres needed to ensure continuity of action," he said. Ismael Hasan, who must withdraw because of his age, also has no objection. "As a DPP member, I had a part in preparing the directive. Naturally, I support it," he said. He was one of the GOLKAR DPP directors for the 1993-98 term.

Although, officially, 15 percent of the membership will be excluded because of the two requirements, another 46 percent probably need to be ready to pack their suitcases. There are still other criteria: achievement, dedication, loyalty, and good reputation. If they pass these requirements, there are still others. Members must be deemed influential and beneficial in the areas from which they are chosen. In other words, they must be acceptable.

General Chairman Harmoko said he has prepared a comprehensive and objective evaluation method. "There is already a mechanism for this," Harmoko said. Moestahid Astari also promises an evaluation method that is fair and that encompasses quantitative and qualitative aspects.

From the first aspect, evaluation covers records of attendance at meetings and of working visits. The qualitative aspect is related to a member's participation in meetings (factions or commissions) and the quality of a member's opinions as carried by the mass media. Faction leaders will record these things and make notes to be sent to the GOLKAR DPP at Slipi. The final evaluation is in the hands of the central directors.

Apart from these procedures for evaluating DPR members and the criteria for legislators for the next term, an important person in GOLKAR admits that upper echelons at Slipi are rather disappointed with the FKP performance in general. DPR members from GOLKAR are considered not "fanatical" enough in their support for government policies. The FKP was not vigorous enough in supporting the government position in the cement brouhaha, the bad debt problem, the licensing controversy, the SIUPP (press enterprise and publication licenses) uproar last year, or, most recently, the controversy over the autocriticism by Minister of the Environment Sarwono Kusumaatmadja, which was a rap at the cabinet.

These things occurred despite the fact that, as Harmoko has said on various occasions, FKP is an extension of the GOLKAR DPP. "The FKP should be alert," he said. However, the impression has emerged that the FKP differs with the government's position.

Whatever the story behind the overhaul of the FKP, it appears that GOLKAR is indeed trying to make a breakthrough. Regeneration has become an important theme. In fact, the DPP directive also states that the younger GOLKAR generation, those under the age of 40, will receive a 25 percent portion, and women will receive 17 percent.

GOLKAR may conduct a renewal, but the Development Unity Party (PPP) does not feel the need to draw up written criteria for selecting its legislative candidates. There are no term or age limits in the PPP. "If we had written criteria with mathematical limits, they would bind us and make us inflexible," PPP General Chairman Ismail Hasan Metareum told GATRA's Dwitri Waluyo and Nur Hidayat last week.

About mid-1996, the PPP will deem it sufficient to entrust the job of drafting a list of candidates for the DPR FPP [Development Unity Faction] to an ad hoc committee called the Central Candidate Selection Committee (LANTAP). Buya [title of respect for a religious leader] Ismail mentioned criteria merely in passing: able, dedicated, tenacious, and with roots in the community. The matter of group affiliation is also important. Thus, as in the last five general elections, the Muslim Scholars League (NU), the Indonesian Muslims (MI), the Islamic League (SI), and the Islamic Education Association (PERTI) will send representatives.

Under such a policy, top people at Senayan since 1971, such as Aisyah Amini, Hamzah Haz, and Buya Ismail, face no obstacles to appearing in Parliament for the sixth time. "Frankly, there is not yet anyone who can replace Hamzah Haz," Buya Ismail said of his colleague who specializes on the APBN [National Budget] Commission.

It appears that the PPP does not have a special prescription for regeneration. "To bring in young people, we must first find more seats. Ha, ha," said Buya Ismail, who has been PPP general chairman since 1989. The tactic of bringing academicians into the FPP, as in 1992, apparently will not be repeated. Buya Ismail admitted that the project was not completely successful. There is still an incompatibility between intellectuals and FPP politicians. "In fact, there were experts who caused trouble," Buya Ismail said.

Meanwhile, the Indonesian Democratic Party (PDI) does not appear to be making preparations for drafting strict criteria for its representatives in the DPR. Soerjadi, the general chairman from 1996 [as published] to 1993, issued directive number 059/1986, which limited service to two terms and prohibited the holding of regional chairmanships while belonging to the FPDI [Indonesian Democratic Party Faction] at Senayan. The situation is different now, however.

Soetardjo Soerjogoeritno, PDI DPP chairman for organizational and political affairs, indicated that there is a mechanism for nominations from below: nominations beginning at villages, then subdistricts, districts (second-level regions), first-level regions, and finally submission to the DPP. Fatimah Achmad, FPDI chairman at Senayan, suggested a similar thing. The mechanism differs from Soerjadi's method. "This has not been discussed fully," Fatimah, who is one of the directors in the PDI's central leadership, told GATRA's Krisnadi Yuliawan.

Regeneration a la Soerjadi rocked the party. When Soerjadi began to enforce his directive in 1987, there was strong opposition from PDI seniors, such as Yusuf Merukh, Duddy Singadilaga, and Marsoesi. They assembled their forces, invited several affected colleagues, and launched a coup d'etat against the chairman in 1988. Soerjadi did not remain quiet. Jusuf Merukh, Dudy Sinadilaga, Marsoesi, and their colleagues were ejected from the party. The controversy continued, and when Soerjadi was defeated in September 1993 the conflict had not been resolved.

Under the leadership of Megawati Soekarnoputri, the PDI appears not to be taking the same action. An attempt is being made to introduce the mechanism of "nominations from below," although technically it is hard to implement. The party, prone to enmities, does not seem to have many options, however. It is still afflicted by crises, and its leadership in East Java has yet to be formed.

Whatever actions are being readied, there appears to be a similarity among GOLKAR, the PPP, and the PDI in deciding legislative candidates. Directly or otherwise, the general chairmen continue to have a big role in approving candidates who will be among those sent to Senayan. The slogan, "Factions are extensions of the DPP's," remains in effect.

Thus, the recommendations of political thinkers at the Army Staff and Command School (SESKOAD) seem to make sense. It was SESKOAD Commandant Major General Arifin Tarigan who in mid-November launched a study on the implementation of general elections. The gist of it was that for the casting of ballots, a voter would be given two cards for each second-level DPRD [regional legislature], first-level DPRD, and the DPR. One card would have the symbols of organizations taking part in the election, and the other would have the names of each candidate and each participating organization.

Although elections would still use the proportional system, voters would be able to punch both the party symbols and the names of their favorites, who would get the right to sit in the legislatures. "Such a method would hold every legislator more responsible for his actions," said Arifin Tarigan. Legislators would also have emotional ties with voters. More than that, the leaders of organizations participating in the elections would not have too much power in deciding the final candidates for seats in the legislatures, both national and regional.

Soetardjo Soerjogoeritno said the recommendation comes too late for the 1997 elections, however. "Perhaps it can be used for elections after the year 2000," he said.

Philippines

Philippines Reverses Policy on Repatriation of SRV Refugees

BK2602111096 Hong Kong AFP in English 1049 GMT 26 Feb 96

[FBIS Transcribed Text] MANILA, Feb 26 (AFP) — Some 2,500 Vietnamese boat people in a western Philippines camp will have to be repatriated after the government reversed an earlier decision to study ways of legalizing their stay, a senior Filipino diplomat said Monday.

The source, who asked not to be named, said the decision was reached after a meeting among diplomats, Roman Catholic Bishops, the United Nations High Commissioner for Refugees and the administrator of the camp in Palawan island west of Manila.

"The church now accepts that repatriation is the only durable solution to the Vietnamese problem," a diplomat who attended the meeting told reporters.

Philippines: MNLF 'Informant' Says Military Wounded Abu Sayyaf Leader

BK2602030696 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 25 Feb 96

[FBIS Translated Text] Defense Secretary Renato De Villa has denied accusations that the military fired on a mosque in Tanum Village, Patikul, Sulu, Zamboanga, killing eight civilians. Military operations against the Abu Sayyaf resumed after Ramadan.

[Begin De Villa recording, in English] I have checked this out very carefully with General Enrile, the chief of staff, and he told me that it is not true that there was a firing of the military against innocent Muslims or against their mosque. What was reported to me is that there was an actual firefight, there was an actual battle in a place where the Abu Sayyaf were located. [end recording]

Abu Sayyaf leader Abdujarak Abubakar Janjalani was hit on the head during the encounter between the Abu Sayyaf and the marines in Sulu. This was confirmed by an informant from the Moro National Liberation Front [MNLF] camp. According to the informant, who refused to be identified, Janjalani was immediately brought to Capaupitan Village District, Tanum, Patikul for treatment. The military reported earlier that Janjalani was hit, based on the report of a deep penetration agent. The agent said that Janjalani has 50 percent chance to live.

The MNLF is going to increase security for MNLF Chairman Nur Misuari. Misuari is scheduled to attend the meeting of Government- MNLF Ceasefire Committee on 29 February. The meeting will be held at the Garden Orchid Hotel.

Thailand

Thai Official Expects ASEM To Change European Perception of Asia

BK2302050196 Bangkok THE NATION in English 22 Feb 96 p A3

[Unattributed report]

[FBIS Transcribed Text] European Union leaders are expected to have a better understanding of Asia when they visit Bangkok next month, as they will have the opportunity to observe first hand what really happens in the region, a senior Foreign Minister official said yesterday.

Deputy Permanent Secretary Sarot Chawanawirat said EU leaders attending the Asia-Europe Meeting (ASEM) will get the opportunity to see how the Thai government handles the problems of child labour, child prostitution and environmental protection.

"They are expected to have a better understanding afterwards. We Asian countries believe that European countries are greatly mistaken over their perception of Asian values."

The 25 countries attending the first ASEM on March 1-2 will discuss political and economic issues in an attempt to strengthen relations and cooperation.

Asia will be represented by Brunei, Malaysia, Indonesia, the Philippines, Singapore, Thailand and Vietnam, plus Japan, South Korea and China.

The EU has criticized Asian countries for exploiting child labour, being a centre of prostitution and having a poor record concerning human rights.

EU financial and business cooperation towards Asia is normally linked with human rights and child exploitation, a stance that Asian countries strongly oppose.

Sarot said Asian countries accepted the fact that child exploitation and prostitution was a reality and that respective governments were doing their best to tackle such issues.

"We cannot accept the EU perception of Asia. However, ASEM will be the best opportunity for these leaders to have a better understanding of our countries.

"The upcoming meeting is the first, which will make it difficult to find practical solutions to narrow this misunderstanding between the two regions," he said.

Asian countries want to make the first ASEM meeting as informal as possible.

"Although both regions have different beliefs on many issues we want this meeting to be a useful mechanism to forge a better understanding between us," Sarot added.

"It is the Asian way to tread slowly when dealing with sensitive subjects. This approach differs from that of the EU countries."

Thai Paper Urges Government To Prepare for ASEM

BK2202153296 Bangkok PRACHACHAT THURAKIT in Thai 22-25 Feb 96 p 17

[Editorial: "Thailand's Role in the World Arena; How Ready Is Banhan?"]

[FBIS Translated Text] The Asia-Europe Meeting, ASEM, is scheduled to be held in Thailand on 1 and 2 March. It is an honor for Thailand to have the opportunity to host a meeting which will be attended by seven ASEAN and 15 European Union member countries. Although the meeting will last only two days, its significance is probably greater than that of the ASEAN summit meeting Thailand hosted late last year. Thailand is particularly delighted to host such an extraordinary event. The only matter of concern is that the meeting may turn out to be a mere extravagant gathering that will not yield any benefit to the participating countries.

The main issue expected to be brought up for discussion during the meeting is trade and investment cooperation between the two continents. Both ASEAN and the European Union are going to play a very significant role in shaping world economy. In particular, analysts in the Western hemisphere have predicted that ASEAN countries will soon achieve economic prosperity, and the world's economic center will be shifted to this region in the near future. However, ASEM is still obliged to proceed in accordance with the rules and regulations set by the World Trade Organization, WTO, which is scheduled to hold its ministerial meeting in Singapore.

The reason for our concern about this meeting is that ASEM will at least prove to the United States, which has been acting as the world police, that ASEAN does not have to cling to any particular country to achieve prosperity. ASEAN and the European Union can become a formidable force if they are united. However, the meeting will not serve any purpose if it fails to manifest the solidarity of the two groupings. On the contrary, it will be exploited by the United States to further exert trade pressure. As the host of the meeting, Thailand will also be one of the U.S. targets. Since Thailand was tricked by Singapore to host the meeting, it should, therefore, fully show its charismatic potential during the meeting.

At the very least, the government should come up with proposals or ideas to demonstrate its vision to impress the participants of the meeting. If the government is unprepared in terms of data and information, it will only allow the Malaysian and Singapore leaders to steal the show and project their perceptions to outsmart other countries as they have usually done in the past. If that is the case, Thailand will be known as only the venue of the meeting. Moreover, readiness in other areas is also important because it will help make a good impression. ASEM will test our country's competence in hosting other world-level meetings and conventions in the future. The government must make full use of the important event on 1 and 2 March.

Thai Police Deny Thailand Infiltrated by DPRK Terrorists

SK2602124496 Seoul YONHAP in English 1235 GMT 26 Feb 96

[FBIS Transcribed Text] Bangkok, Feb. 26 (YONHAP) — The Thai Police said Monday they understand not a single suspected North Korean terrorist has infiltrated into Thailand in connection with the Asia-Europe Summit (ASEM) slated for early next month.

Police Lt. Gen. Kiatisak Prapawat [spelling of name as received], head of the Immigration Management Police Bureau, strongly rejected a Sunday report filed by a western wire service which quoted Kiatisak as saying the Thai Police were watching eight to nine North Koreans who had entered Thailand disguised as South Koreans.

"I have never met the wire service that filed the story," the police officer said. "I just returned home Sunday evening from a visit to Hong Kong."

He also denied as "groundless" the THAI DAILY NEWS report last Friday that four North Korean assassins and two Korean-Japanese terrorists had infiltrated into Thailand to hurt President Kim Yong-sam participating in the Asia-Europe Summit.

Gen. Kiatisak said, however, his police have the list of eight suspected South and North Korean terrorists, which he said was provided to his police by South Korea about 10 days before.

"Taking into account the hostile relations between South and North Korea, we are checking those North Koreans who entered Thailand in the past three months," he said.

The police officer said there is no way to check the entry of any North Koreans carrying lawful passports. "But, we are deporting forthwith any foreigner trying to enter the country with a false passport or in any other illegal manner," Kiatisak said.

Thailand Seeking Permanent Membership in UNSC

BK2602072396 Bangkok THAILAND TIMES in English 26 Feb 96 p 4A

[Report by Woody Lakkham, P. Phongphiphatthanaphan, and S. Samakrattakit]

[FBIS Transcribed Text] Bangkok: Thailand, as well as all of the Association of Southeast Asian Nations members, is seeking permanent membership in the United Nation's Security Council [UNSC] and the group will express the idea to the European partners in the coming Asia-Europe summit meetings early next month, said diplomatic sources.

ASEAN members have been lobbying for months, not only China and the EU members but also the United States and Russia, the other two members of the Perm-Five, for the opportunity to represent, not only the grouping but the whole Southeast Asian region, one source told THAILAND TIMES over the weekend.

ASEAN will seek for the possibility that each member nation should alphabetically take turn to be the group's representative in UNSC on a six-month rotation basis, said the source.

ASEAN will officially float the idea in the summit meetings, said the source.

At the same time ASEAN would spell out its full support to Japan to be one more Asia's representative in the UNSC, besides China which will also participate in the summit, said the sources.

Twenty-five Asian and the European Union leaders or representatives are to meet in Bangkok between March 1-2. Political and security ties are among topics to be discussed by the leaders.

Other Perm-Five nations to participate in the summit are France and Britain who are expected to seek support for Germany to join the UNSC's top seats with veto rights.

Japan and Germany, as big donors to the UN, have long sought for a more important role in the UNSC.

One source said though ASEAN has never voiced the group's support for Japan, but the members have already expressed their wish individually, said one source.

However, Sarot Chawanawirat, foreign affairs deputy permanent secretary, told THAILAND TIMES yesterday that Asian countries have past the first step during the recent official-level meeting to support Japan to the UN Security Council.

"It's a good chance for Asian countries to express their support to Japan, during the meeting," said Sarot.

The UN-membership fee will also be discussed during the ASEM meeting. This is because developing countries, including Thailand, are demanded to pay higher fees, while their voting rights are still the same.

"We don't expect to clear this problem during the ASEM meeting because it's (been) chronic for years," he said.

Sarot also said several developed countries, including the US, wanted to reduce the UN membership fee and demanded that developing countries should pay more.

Britain and the United States have expressed their views that Germany shall be one of the council permanent members. The European side would ask for the support from the Asians..

Among security issues on the agenda are reforming the UN, strengthen arms control and disarmament and nuclear test ban treaty, said the sources.

Regarding the reform issue, UN Secretary General Butrus-Butrus Ghali appointed a working group two years ago to work on how to restructure the Security Council.

The restructuring is aim to making the UN more transparent and more effective, said the source.

The working group on "the Question of Equitable Representative on the Increasing the Membership of the Security Council" is also discussing the matter of whether or not the permanent membership's right of veto should remain, and number of new permanent members.

Whether new UNSC's permanent members should represent themselves or their region are being discussed in the working group, said the source.

However, Asian and European leaders in the Bangkok summit will voice their support of UNSC rehabilitation, said one source.

Thailand: SLORC Pledges To Control Border Attacks by Karen

BK2302040196 Bangkok BANGKOK POST in English 23 Feb 96 p 3

[Unattributed report]

[FBIS Transcribed Text] The Burmese military regime has agreed to take responsibility for cross-border attacks by its Karen allies, the Third Army commander said yesterday.

Rangoon pledged to prevent any further incursions by the renegade Democratic Karen Buddhist Army [DKBA], which killed three people, including a monk, in Tha Song Yang, Tak, said Lt. Gen. Thanom Watcharaphuk.

"They have promised to keep close watch on DKBA forces and not allow any more assaults across the border," said Lt. Gen. Thanom on his return from the 12th Regional Border Committee meeting in Moulmein, Burma.

The Burmese Government, he said, had also agreed to take back all Karen refugees living in Thailand.

During the talks, Burmese officials proposed the opening of border checkpoints in Kawthaung, Ranong, Mae Sot, Tak, and in Mae Hong Son.

Lt. Gen. Thanom said both sides agreed to enhance contacts between local officials to make sure problems do not escalate.

The junta's demand for compensation for the killing of Burmese in a Mong Tai Army assault on Burmese forces in Tachilek in early 1995, he said, remained to be settled.

Thailand: Prasit Denies Support of Burmese Ethnic Groups

BK2302094596 Bangkok KRUNGTHEP THURAKIT in Thai 23 Feb 96 p 14

[Unattributed report]

[FBIS Translated Text] Tak — Major General Prasit Mongkhontham, chief of staff of the 3d Army Region, said on 22 February that the Burmese Government has been able to gain control of nearly all the border areas previously under the influence of minority groups. The only areas that it has not gained control of are opposite Thailand's Umphang, Phop Phra, and Tha Song Yang Districts in Tak Province, which are under the influence of the Karens; opposite Muang District in Mae Hong Son Province, which is under the influence of the Kayah; and opposite Mae Sai District in Chiang Rai Province, which is under Shan influence. The Burmese Government is expected to persist in its efforts to gain complete control of those areas. Prasit said ethnic people who do not want to be subject to Burmese control will continue to flee to Thailand. Once the Burmese Government succeeds in achieving systematic control of the border, problems along the border will cease.

Prasit denied allegations in Burmese papers about Thai support for Burmese ethnic groups. He said Thailand had in good faith stopped such support many years ago. If Thai support had continued, the Burmese would not have been able to gain control of the border areas that easily.

According to a Mong Tai Army coordinator at the Thai-Burmese border opposite Mae Hong Son, Khun Sa informed his people and colleagues in Ho Mong that he had reached an agreement with Burmese leaders to organize Ho Mong into a township like Taunggyi. Ho Mong was previously a district under Taunggyi, but this changed after Khun Sa met with General Khin Nyunt in late January.

The same source said after the establishment of Ho Mong as a township, which will happen soon, Khun Sa will be appointed its first governor. The township will have a volunteer force, whose members are former soldiers, to safeguard the territory and perform police duties.

According to the source, taxes will be collected from trade along the border. After Ho Mong becomes a Burmese township, border crossing points will be opened opposite Thailand's Huai Phung in Tambon Huai Pha, Muang District, Mae Hong Son Province.

The source said: "Khun Sa's appointment as governor reflects his knowledge and experience of the area, both of which will serve to accelerate Ho Mong's prosperity. Khun Sa is certain to coordinate with the Thai side in Mae Hong Son to promote free trade in Shan State.

Thai Armed Forces Chief Denies Rift With Defense Minister

BK2302040796 Bangkok BANGKOK POST in English 23 Feb 96 p 7

[Unattributed report]

[FBIS Transcribed Text] Defence Minister Chawalit Yongchaiyut and Supreme Commander Wirot Saengsanit have voiced concern over leaks to the media that they are in conflict.

Gen Wirot, rejecting the suggestions of conflict, said there had been an apparent scheme to pit him against his direct superior, who in turn was concerned the campaign could confuse the people.

A source said: "Attempts to cause a rift between the minister and the supreme commander make Gen Chawalit unhappy."

New Aspiration leader Chawalit, he said, was aware a certain group with ulterior motives had leaked information to press.

Political observers have said Gen Chawalit is trying to build a military power base for his ambition to become premier, while Gen Wirot is close to Prime Minister Banhan Sinlapa-acha.

Mr Banhan lobbied for him to be made supreme commander in last year's reshuffle though Gen Chawalit had someone else in mind.

Gen Wirot, a member of the Chunlachomklao's Class 5, which has been at odds with Gen Chawalit since Black May 1992, also denied he planned to transfer key officers from the Supreme Command to inactive posts in the mid-year reshuffle.

There will be no change in key posts in the Supreme Command, said Gen Wirot, who is to retire by the end of the year.

It was widely speculated that Gen Suphon Hiransi, commander of the National Security Command, who is close to former supreme commander Gen Watthanachai Wutthisiri but is at odds with Gen Wirot, would be removed.

Gen Wirot said he was not the kind of person to abuse his authority once he assumed command of the armed forces.

Usually, there is no significant change during the midyear reshuffle.

"I would like to reiterate that there will be no changes to key military posts during the mid-year reshuffle," said the Supreme Commander.

Gen Wirot had reportedly urged the Defence Minister not to interfere on the proposed lists of military officers in the lower level.

He said his remark was misinterpreted by the press. The minister was direct commander of the armed forces and was empowered to make any changes during the annual reshuffle, he said.

Gen Wirot said lists during the annual reshuffle would be proposed to the minister who had full authority to make changes.

In related developments, sources said Lt. Gen. Chan Bunprasoet, army assistant chief-of-staff for personnel affairs, would replace Lt. Gen. Phadet Wanaphuti as a new army deputy chief of staff in the mid-year reshuffle. Lt. Gen. Phadet, who will retire by the end of the year, would be promoted to four-star general.

The sources also said there would be no major changes in the Navy and Air Force.

Thai Article Views Strategic Planning White Paper

BK2502140496 Bangkok THE SUNDAY POST in English 25 Feb 96 p 18

[Article by Micool Brooke: "White Paper To Outline Thailand's Strategic Planning"]

[FBIS Transcribed Text] Aware that the pace of its arms procurement programme has alarmed its neighbours, the Thai military will next month publish a White Paper outlining the strategic planning of the armed forces in an effort to prevent an arms race in Southeast Asia.

The White Paper will reveal to ASEAN members Thailand's strategic planning for the next decade, perceived military threats and the defence systems necessary to deter aggression and protect national interests and resources.

The White Paper to be printed in both Thai and English is based upon the findings of 1997-2006 strategic planning and 1996-2001 procurement planning drafted by the commanders of the Thai armed forces in December 1995.

Defence Minister General Chawalit Yongchaiyut, a former army chief-cum-successful politician, said the White Paper is part of Thailand's new policy of transparency in arms procurement which is specifically designed to build trust among the armed forces of the region and prevent a costly arms race.

With Thailand allocating US$4 billion to defence spending in fiscal 1996, about 12 percent of the total annual budget, the Defence Ministry has seen the need to justify its procurement programme to its anxious but friendly neighbours.

The White Paper will also serve as a launching pad for next month's inaugural Asia-Pacific Security Dialogue involving the defence ministers and military strategists of 18 countries including the seven current members of Asean—Laos, Cambodia, China, India, Pakistan, New Zealand, Australia, the United States, England and France.

The conference will be held in Thailand's Nakhon Pathom province March 19-22, soon after ASEAN leaders meet their European counterparts at the first-ever Asia-Europe summit, Gen Chawalit's aide Major General Thiraphong Siwatthanakun said. Thailand plans to host a top level security conference every six months to enhance trust, understanding and cooperation in the region, he added.

Topping the agenda for the first security conference is General Chawalit's ambitious plan announced in January this year for ASEAN to form a military bloc like the North Atlantic Treaty Organisation (NATO) to prevent conflicts in the Asia-Pacific, Maj Gen Thiraphong said.

Defence Minister Chawalit believes it would help boost stability in the Asia-Pacific. Such an organisation would boost unity and cooperation in the region while also tackling disputes before they sparked armed conflict.

In proposing the military pact, General Chawalit said: "Like Europe which has NATO, the Asia-Pacific should discuss measures to form such a bloc to do the same task."

"We will discuss means and measures on how we should have the mechanism to tackle conflicts that might emerge in the future," said Gen Chawalit, suggesting cooperation among countries in the region was still loose.

The meeting is designed to follow up discussions at ASEAN Regional Forum meetings Thailand and Brunei in the last two years that dealt with regional security issues.

The 18 nations attending next month's Asia-Pacific Security Dialogue here will consider setting up a regional United Nations peacekeeping office.

Major General Bunsang Niampradit, director of the army's Strategic Research Institute, said: "Problems occur when there are peacekeepers from many countries in the UN contingent, so the delegations at the seminar will find common measures to handle them" in setting up a regional UN office.

The Asia-Pacific region is expected to be one of four areas where the UN will consider setting up a regional office, he said. Although many UN agencies have offices in Bangkok, there is as yet no peacekeeping unit.

The meeting is designed to follow up discussions at ASEAN Regional Forum meetings Thailand and Brunei in the last two years that dealt with regional security issues.

The Thai proposal that ASEAN form a military bloc like NATO reflects the level of trust and understanding reached by the member countries at the 5th ASEAN leaders summit in Bangkok in December 1995. It also suggests Thailand's regional leadership ambitions.

Thailand will spend US$4 billion in fiscal 1996 in the belief a strong military will give it a loud and influential voice in ASEAN and regional affairs. Thailand also believes a strong and unified ASEAN can also have a loud voice in world affairs.

Recent events suggest the Thai military is trying to chart a course in world affairs not only for its own people but also ASEAN which by the turn of the century will number all ten countries of Southeast Asia, the world largest growing market with 400 million people.

Defence analysts say ASEAN over the next two decades will rise to the challenge to fill the power vacuum created in the region by the departure of US forces.

Dr Derek de Cunha, of the Southeast Asian Institute of Research and Technology in Singapore, told a seminar at the Defence Asia Exhibition in Bangkok last September that a militarily-strong ASEAN would cooperate closely in the next century to meet the challenge posed by China.

Defence spending: The soon to be released White Paper is devoted to justifying Thailand's massive defence budget.

The kingdom will spend 11.93 percent of its national budget on defence in fiscal 1996, which will give the Defence Ministry US$4 billion (100 billion baht) to share among the armed forces. In fiscal 1995, it had 12.82 percent.

Although there are suggestions the increase in arms procurement is fuelling an arms race, the defence budget has been gradually reduced and could drop to 1.9 percent of total national expenditure over the next decade.

With a $4-billion defence budget for fiscal 1996, the Thai military will seek to replace its aging stockpile of US-supplied arms with equipment to serve its needs for 20 years. Gen Chawalit said the aim is to make the military "small but powerful".

Thai arms purchases are a rather closed process since most deal with sensitive strategic considerations, so purchases are not as transparent as in Western countries, where taxpayers want to know how their money is being spent. But the Defence Ministry has taken steps recently to correct this.

Defence spending, however, has been under fire amid allegations a core coalition party received political donations from Kockums of Sweden to increase its chance of winning a US$680-million order for two diesel-electric submarines.

Military commanders often deny kickbacks are attached to purchases as the selection procedures are handled by committees, but procurement is decided by no more than six senior officers in each of the three armed forces.

Perceived threats: The Defence Ministry's White Paper also attempts to explain perceived threats which continues to fuel development of the Thai armed forces.

Strategists say Thailand, with an expected 8 percent growth rate for 1996, would be an inviting target if the military was not strong enough to defend the country's wealth and resources.

The Thai armed forces strategic planning focuses on protecting Thailand's land and marine resources which are seen as the keys to continued national prosperity.

Under the Defence Ministry's 1996-2001 arms procurement planning and 1997-2006 strategic planning, the Thai military will spend billions to replace its Vietnam-era weapons and to acquire hi-tech defence systems to answer specific threats to its continued economic growth.

A senior Defence Ministry official said the term "enemy" was still restricted to countries that used to pose threats, all of which had strengthened their forces.

The military admits it is watching Vietnam, Burma and Malaysia, whose arms programmes are being fuelled by booming economies.

All future threats to Thailand are expected to come by sea.

Naval Operations Department Director-general Rear Admiral Thawisak Somapha said competition to exploit undersea resources will heighten the possibility of conflict.

The biggest threat to the Thai economy in the next decade would be a conflict in the Spratlys which would strangle trade by severing Thai shipping lanes in the Gulf of Thailand. Imports and exports exceeding $2,500 billion baht [as published] annually pass through the Gulf.

"Thailand cannot be sure of the future. If we do not prepare now, what will we do if something happens?" he said. "We can't deny there is danger of aggression in this region."

The threat of aggression has justified Thailand's planned procurement of submarines, attack helicopters, main battle tanks, light tanks, armoured troop carriers, a spy satellite and a new standard infantry rifle to replace the M-16.

A factor in Thailand's spending spree is Bangkok's deep-rooted suspicion of neighbouring countries based on a long and complex history of conquest and invasion.

Thailand is anxious not to lose territory to Burma now that its forces are in direct confrontation along the border following the surrender or military defeats of the rebel groups like the Karen National Union, or Khun Sa's Mong Tai Army.

Thailand is also concerned about losing marine resources to Malaysia which has embarked on a massive spending spree to develop its air, sea and land forces. Malaysia, which is locked in a fishing dispute with Thailand, is now building a new "Berlin Wall" to demarcate the two countries.

Gen Chawalit's forthcoming security seminar, while possibly falling short of forming ASEAN into a NATO-style defence bloc, will at least help alleviate some of the paranoia of certain countries regarding perceived threats to their sovereignty.

Thai Article Views Status of Navy's Submarine Deal

BK2602105996 Bangkok BANGKOK POST in English 26 Feb 96 p 4

[Article by "POST Military Desk": "Navy Optimistic Government Won't Oppose Its Sub Procurement"]

[FBIS Transcribed Text] Both German Submarine Consortium [GSC] and Swedish submarine builder Kockumss Submarine Systems AB, vying for contract to build two diesel attack submarines for the Royal Thai Navy, are quite hopeful that they would finally win the bidding contract from the Government which is yet to give its final approval to the navy's procurement plan, worth around 17 billion baht.

The navy is quite optimistic that the Government would not oppose its procurement as Defence Minister General Chawalit Yongchaiyut has already voiced his support to the idea and was confident that the submarines' acquisition could help the navy to fulfil its assigned mission in protecting the country's sea lane and its undersea resources in the Gulf of Thailand.

"It is unlikely that Prime Minister Banhan would oppose the navy's proposal as long as it corresponds to the country's defence planning," said a political source close to the premier when asked about his stance on the issue.

The navy had already mapped out its strategic defence planning to have submarines deployed in the outer area of the Gulf of Thailand in case of naval warfare as the vessels was hard to detect and could be used as a deterrent force.

During peace time the vessel could be used for reconnaissance purposes.

The navy has repeatedly said that its procurement plan was in line with the country's strategic planning and the defence council had already given its approval to the navy's proposal to procure submarines under its service in the next decade.

During the administration of prime minister Chuan Likphai, the Democrat leader disagreed with the idea and told then defence minister Gen Wichit Sukmak to freeze the navy's procurement plan as he did not think that it was the proper time for the country to spend billions of baht on the undersea vessel.

At present, the navy has already concluded its detailed evaluation report studying designs, the hull and machinery, the combat-system and the logistic support of different types of submarines proposed to the navy for consideration by seven foreign companies.

The evaluation report, from studies by four naval committees led by Navy Chief-of-Staff Admiral Winai Intharasombun, had already been forwarded to the supreme commander and the defence minister.

"The report has not made any conclusion as to which type of submarine the navy plans to procure. It provides ratings to all types of the proposed submarines on four categories which the navy will use for further consideration in case the Government gave its final approval to our plan.

"It's still too early to say which type of submarine would be procured by the navy," noted one senior naval officer.

However, it was widely speculated that either the Swedish Kockumss proposing A-19 Gotland Class or the German Submarine Consortium with its famous 209 class could win the contract.

Other five western countries vying for the contract included France, Italy, Russia, Spain and the Netherlands.

France has proposed the old design Agosta and Spain was hopeful to supply the Scorpane while Italy and the Netherlands had proposed the prototype S-1300 and Moray respectively. Russia hoped to sell its Kilo class to the navy.

So far, submarine builders have been successfully developing air- independent propulsion (AIP) systems in the conventional submarines, which helped eliminate the need for frequent snorkelling.

A diesel submarine running at high speed under electric power can deplete its batteries in a few hours. At slower speeds it can stay immersed for a couple of days before snorkelling to recharge the batteries and while snorkelling it could expose itself and become detectable.

Snorkeling is the most critical situation for a submarine that could be avoided by means of AIP.

A senior naval officer said submarines to be procured by the navy had to be equipped with AIP system that could increase the submerged endurance from a couple of days to up to a month.

He admitted that for modern submarines AIP is a necessity saying that "in the future, AIP is a necessity and all new submarines will be delivered with AIP".

Both Swedish Kockumss and GSC boasted that their AIP systems were among the best and could fulfil the navy's need.

Sweden has tested and incorporated into its next generation design an AIP system using a stirling engine, an external combustion engine that does not burn fuel explosively and is thus much quite than a standard gasoline or diesel engine.

GSC has developed a Fuel Cell AIP system and claimed that the Fuel Cell was the most promising technology for future submarine and was much quite [as published] than the stirling engine.

"A stirling engine installed in the A 19 would never fulfil the strong requirements of the German navy or any other navy having comparable requirements, especially in the field of noise characteristic which is critical for sonar line detection in low frequency," claimed a senior official of the GSC.

However, senior Kockumss official claimed that its ATP was the only proven system which has already been operational in the Swedish Navy since 1989 while the fuel cell was only on paper and could not be delivered before 2003. The stirling AIP is thus technically mature and well proven without any real drawbacks.

"It is hard to say at the moment which AIP system is better between the fuel cell and the stirling engine. Both Germany and Sweden had claimed that their AIP is the best but both countries had withheld some important information from us," noted a senior naval officer.

The officer said it was unlikely that all detailed information relating to the proposed submarines would be provided to the navy by the seven companies unless the Government gave its final approval to the navy's procurement plan.

"They are uncertain over the Government's stance on the issue and don't want to release any important data over the proposed subs before the Government give its final OK for the purchase," noted the officer.

Because of fierce competition between Kockumss and GSC to win the submarines' deal, it was no surprise to learn that key representatives from the two companies were in Bangkok last month mapping out strategies for the last round of fighting which is to emerge once the Cabinet gave its final approval.

Mr Hans Saeger, the president of the GSC, who was in Bangkok last month, was reported to have had meetings with key naval officers while Kockumss president Per Johnsson was also in town to get first hand information from his representatives here over Kockumss' chance to win the contract.

GSC was reported to be the only company that agree to take 50 percent counter trade deal in which country's agricultural products could be used in exchange for the two submarines.

"Kockumss' agents here had close ties not only with key naval officers but also with key Chat Thai members while GSC's agents does not have such strong relationship," noted one military observer.

Mr Supri Siphadung, a former naval officer and a Kockumss agent, is known to have close tie with Navy Chief-of-Staff Admiral Winai Intharasombat. He also has close relationship with Chat Thai secretary-general Sano Thianthong.

It was this kind of relationship that cause concern to the GSC whose senior staff was still optimistic that it would not play any role in the navy's decision-making process to procure two attack submarines.

Thai Editorial Views Possible Harmful Impact of Internet

BK2202062296 Bangkok THE NATION in English 22 Feb 96 p A4

[Editorial: "It Will Be Sheer Folly To Underestimate the Internet"]

[FBIS Transcribed Text] News and issues related to the Internet are gaining more coverage and debate in Thailand. The worldwide computer network is one of the phenomenons of globalization in the information age.

This globalization has many connotations, and one of them is the uncontrolled and uncensored flow of information across national boundaries.

The Internet fits this description quite convincingly. Computer hardware in different countries is linked together, allowing people to easily communicate with each other. Data, information and pictures can be transmitted across borders anywhere on earth. More than anything else, Internet is accessible to many because of its low communications cost.

At a monthly charge of Bt [baht] 400-500, coupled with the cost of a local call each time a subscriber accesses the network, it is possible to communicate with people from Chile to Greenland. The Internet's communications mode is mostly in English and the information carried in cyberspace escapes the prying eyes of censors. The network has created communities of information users, based on their topics of interest, so much so that in cyberspace these communities appear to be one.

Different reactions [subhead]

Countries around the world have greeted the Internet with different reactions.

ComputerServe [as published], a US-based on-line network, announced censorship of some 200 sexually-explicit entries in order to win public acceptance at its launching in Germany. China has tried to censor the Internet in one way or another — for political and social reasons. In Vietnam, a debate has started on which government agency should take charge of the Internet. Hanoi is deliberating between a telecommunications agency and a cultural organization.

Reactions in Thailand to the Internet are varied.

People who use computers have often complained that the charges imposed by the Communications Authority of Thailand, which monopolizes long distance phone calls, are too high. While the costs for transmitting texts on the Internet might be affordable, the charge of Bt1,200 a month for transmitting graphics could seem a bit too much for Thais to afford.

Lately, the Internet has been hitting the front pages of dailies here because of a series of reports on sex activities in Thailand, transmitted via cyberspace. The Foreign Ministry now has come into the picture and has banned authors who portray or try to sell sex services in Thailand through the Internet. No one is quite sure how to deal with these nefarious activities.

While unscrupulous Internet users promote sexual activities in cyberspace, campaigners on the other hand, also through the Internet, are targeting the Thai government for doing very little about eradicating child prostitution. There is now an ongoing campaign on the Internet urging people to boycott Thai products until the government improves its crackdown on sale of children for sex.

Deputy Prime Minister Dr Amnuai Wirawan, who is in charge of the country's international trade, played down the Internet's "Don't Buy Thai" campaign. He said such messages on the Internet should not become lead stories in newspapers because, according to him, such messages are trivial. The deputy premier also added Thai people should not pay too much attention to what is said on the Internet "because any one could say anything they liked".

Thus, we have been asked to display a couldn't-care-less attitude about the Internet as far as the sex issue is concerned.

Disrupting Thai exports [subhead]

That, however, is easier said than done. The important thing now is, do we really understand the implications of the campaign launched on the Internet?

We must not underestimate the impact of the Internet. While the "don't buy Thai" campaign may only be viewed by those who can log on to this "homepage" on the World Wide Web, it would be sheer folly to think that only a few users would be able to have access to the articles and stories there. When one million or more users are able to log on to this homepage, what will be the Thai government's reaction then?

The answer, of course, is quite obvious. The situation would have got out of hand and Thai exports would be disrupted.

Though Thai exports have nothing to do with child prostitution, the government must, however, show that it is sincerely dealing with the problem. The Chuan government started a campaign to eradicate child prostitution, but the Banhan government, it seems, has not pursued it seriously enough.

Let this "don't buy Thai" campaign on the Internet serve as a lesson for the government. It clearly shows that local matters can become international issues, and unless the government of the day pulls up its socks, the country will be dragged through the mud.

The lesson of the day is not to underestimate the power of the Internet and for Thai authorities to take cyberspace matters seriously instead of brushing them aside as "nonsense".

Vietnam

SRV Party Leader Do Muoi Receives Lao Defense Minister

BK2302133896 Hanoi Voice of Vietnam in English
1000 GMT 23 Feb 96

[FBIS Transcribed Text] Party Chief Do Muoi regards exchange of visits between senior Vietnamese and Lao military officers as a significant link in the chain strengthening the special relationship between Vietnam and Laos. During a reception given to the visiting Lao defense minister, Colonel General Choummali Saingason, Mr Do Muoi reiterated Vietnam's pledge to do all it can to maintain its special relationship with Laos. This will contribute to the prosperity of both countries and to peace and stability in the region.

SRV Deputy Prime Minister Receives Lao Minister

BK2402155796 Hanoi VNA in English
1430 GMT 24 Feb 96

[FBIS Transcribed Text] Hanoi VNA Feb. 24 — Deputy Prime Minister Phan Van Khai received here today a visiting delegation of the Lao Ministry of Transport, Communications, Post and Construction lead by Minister Phao Bounnaphon.

The delegation began a working visit to Vietnam on Feb. 19 to discuss implementation of agreements reached at last months 18th session of the Vietnam-Laos Joint Commission for Economic, Cultural, Scientific and Technical Cooperation in Vientiane.

Vietnamese Minister of Transport and Communications Bui Danh Luu and General Director of the Directorate General of Posts and Telecommunications Dang Van Than were also present at the reception.

The Lao minister expressed his fine impression at the achievements recorded by the Vietnamese people in national renovation and socio-economic development as well as their effective support to and cooperation with Laos in transport, communications, post and telecommunications. He informed Deputy Prime Minister Khai of the plan on bilateral cooperation and assistance for the 1996-2000 period and expressed his wish that Vietnam will continue assisting Laos in upgrading roads, transporting transit cargoes, and providing management and administrative experience and personnel training.

Speaking to his Lao guests, Deputy Prime Minister Khai reaffirmed Vietnams special solidarity, multi-faceted and diversified cooperative relationship with Laos. He renewed the Vietnamese Governments continued support to Laos including the sending of experts and encouraging Vietnamese companies to involve in investment cooperation projects relating to transport and communications, thus strengthening the traditional friendship between the two countries and making worthy contribution to activities of the Mekong sub-region countries.

SRV: End to Thai Violations of Territorial Waters Demanded

BK2302152496 Hanoi VNA in English
1440 GMT 23 Feb 96

[FBIS Transcribed Text] Hanoi VNA Feb. 23—The Vietnamese authorities have demanded Thailand put an end to its violations of the Vietnamese territorial waters, which ran counter to the agreement on re-establishing sea order and the benefits for bilateral cooperation and friendship between Vietnam and Thailand, the two members of the ASEAN, confirmed the official VIETNAM NEWS AGENCY.

In a report to reject a Feb. 20 news report by Thailand's English-language daily THE NATION which said that a patrol ship of the Thai naval force arrested a Vietnamese fishing boat with eight fishermen who were accused of being "pirates", VNA elaborates that:

On Feb. 16, 40 fishing boats of Thailand accompanied by two ships of the Thai naval force, serial numbered 5431 and 534, tresspassed on the Bai Can area of the southernmost Province of Ca Mau for fishing. These Thai naval ships chased and arrested Vietnamese fishing boats operating on the coordinates of 7 degree 40'00 north and 103 degree 47'00 east. The Thai naval ships at 11:00 of Feb 18 arrested a boat numbered 36-kg with nine Vietnamese on board of Kien Giang Province's fishing fleet and one hour later, another fishing boat of Quang Nam-Da Nang Province, both fishing on the said coordinates.

The report further says that the Vietnamese authorities have worked with the Thai side, demanding the return to Vietnam of its fishermen and their boats.

SRV: Relations, Cooperation With Belgium Reviewed

BK2302134996 Hanoi Voice of Vietnam in English 1000 GMT 23 Feb 96

[Station Commentary]

[FBIS Transcribed Text] Belgian Prime Minister Jean-Luc Dehaene will visit Vietnam from February 24-27 at the invitation of his Vietnamese counterpart. Our commentator has this to say about relations between Vietnam and Belgium.

The visit marks a new step of development in relations between the two countries. As the previous exchange of visits by leaders of both countries, next week's visit by the Belgian prime minister is to further promote bilateral relations and boost Belgian investments in Vietnam. Belgium, a small nation with a population of 10 million has expertise in various fields in which Vietnam needs to develop.

Speaking to Vietnamese Prime Minister Vo Van Kiet during his visit to Belgium, Prime Minister Jean-Luc Dehaene also highlighted the existing potential for Belgium and Vietnam to strengthen bilateral cooperation and said that Belgium was ready to help Vietnam in training technicians and managers for the 500-kilovolt transmission line, the manufacturing of spare parts for locomotives, and the management of seaports and health services.

Relations between Vietnam and Belgium have seen positive steps after the visit to Vietnam by Belgian deputy prime minister and foreign minister and the visit to Belgium by Vietnamese Prime Minister Vo Van Kiet. Belgium was the first country to write off the Vietnamese debt — Belgium wrote off the $32 million debt in 1994 — and Belgium also actively supported Vietnam improving relations with the European countries. Belgium signed an important agreement with Vietnam under which Belgium will continue giving loans to Vietnam without an interest rate. Bilateral trade turnover has increased. The modest figure opens new prospects for the development of relations between Vietnam and Belgium and also between Vietnam and the rest of Europe as well. A Belgian businessman who came back from Vietnam declared that his company has found a Vietnamese partner in energy and metallurgy. The number of Belgian invested projects in Vietnam remains small but all of them are of significant importance for Vietnam's economy. These include oil and gas exploitation and processing. There are many Belgian representative offices in both Hanoi and Ho Chi Minh City.

It is expected that next week's visit by the Belgian prime minister will open a new period for further development and comprehensive cooperation between Vietnam and Belgium.

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